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CRITICAL ISSUES: PART II

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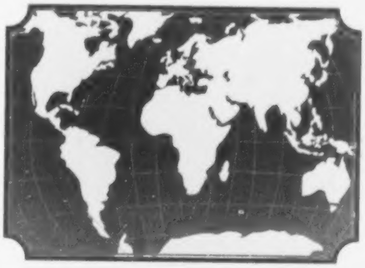

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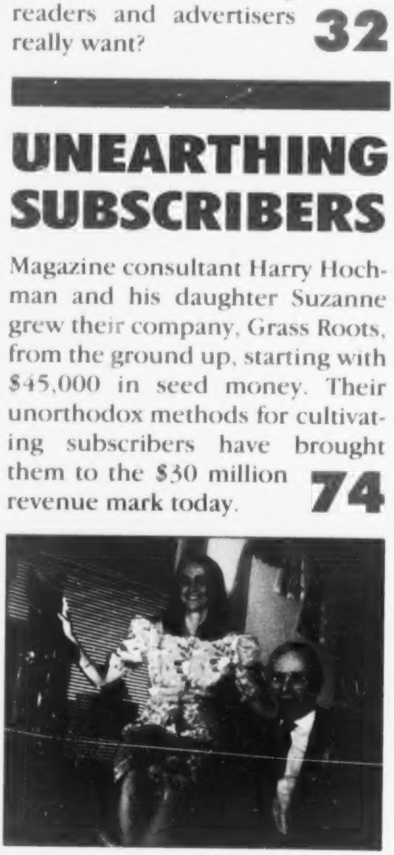

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Shelter titles renovate inside and out

By Lisa I. Fried

When asked what their readers want in the 1990s, editors of competing titles rarely sing the same tune. But pose that question to the editors of *House Beautiful*, *Home*, *Elle Decor* and *Metropolitan Home* and you hear an almost harmonious message. They all agree that ostentatious living is passe; today's homeowners want stylish quarters that showcase personal taste while staying within recessionary budgets.

So in recent months, these editors have been overhauling graphics and editorial to reflect those values. *House Beautiful*'s Lou Gropp, *Home*'s Gale Steves and *Elle Decor*'s Marian McEvoy are all new to their magazines this year. So editorial change is a given. But in general, it's the readers and advertisers who are driving many of the changes.

Readers told Kalins they want a magazine that makes life easier.

Thousands of *Metropolitan Home* readers responding to an April reader survey said they want to make their lives easier, says editor in chief Dorothy Kalins. "In the last 10 years they might have wanted something because it was trendy or hot. Now it has to be comfortable or work with them," she says. Service-oriented features, such as August's "50 Ways to Love Your Home" (which Kalins says sold 28 percent more newsstand copies than last year's issue), and new departments, such as "Style for a Song" (which made its debut in October), aim to meet new needs.

After Hachette purchased *Home* this spring, Steves also sought reader input. About 1,500 letters later, Steves is slowly moving *Home* away from a lifestyle focus to a stronger concentration on "realistic" decorating, design and remodeling.

And Hachette's *Elle Decor* is trying to give readers more information that they can actually use. In December alone, 24 pages will carry service information as McEvoy "personalizes" the graphically driven magazine. In November, the "Decor" part of the logo becomes bolder and larger to convey a new editorial spirit.

Next year the 234,474-circulation monthly will cut frequency in half. Even so, Hachette hopes editorial changes, new direct mail and increased newsstand sales will push circulation to 375,000 by August.

Advertisers involved

Meanwhile, over at Hearst's *House Beautiful*, the redesign was prompted by advertisers.

"Any magazine has to work with the readers *and* the ad base," says Gropp. "Advertisers buy an audience, but they also buy an editorial environment. They want that environment to be exciting so there is synergy between editorial and advertising. That element was lacking in *House Beautiful* even though there were lots of readers comfortable with the editorial mix."

Major graphic and editorial changes were unveiled in September and ad pages increased 20 percent that month. In October, ad pages were up more than 10 percent, says publisher Tony Hoyt. (Ad pages were down 6.3 percent through August.)

House Beautiful is not the only shelter title needing an ad boost. Through August, *Architectural Digest*, *Metropolitan Home*, *Home* and *HG* all had double-digit ad page de-

(CONTINUED ON PAGE 35)

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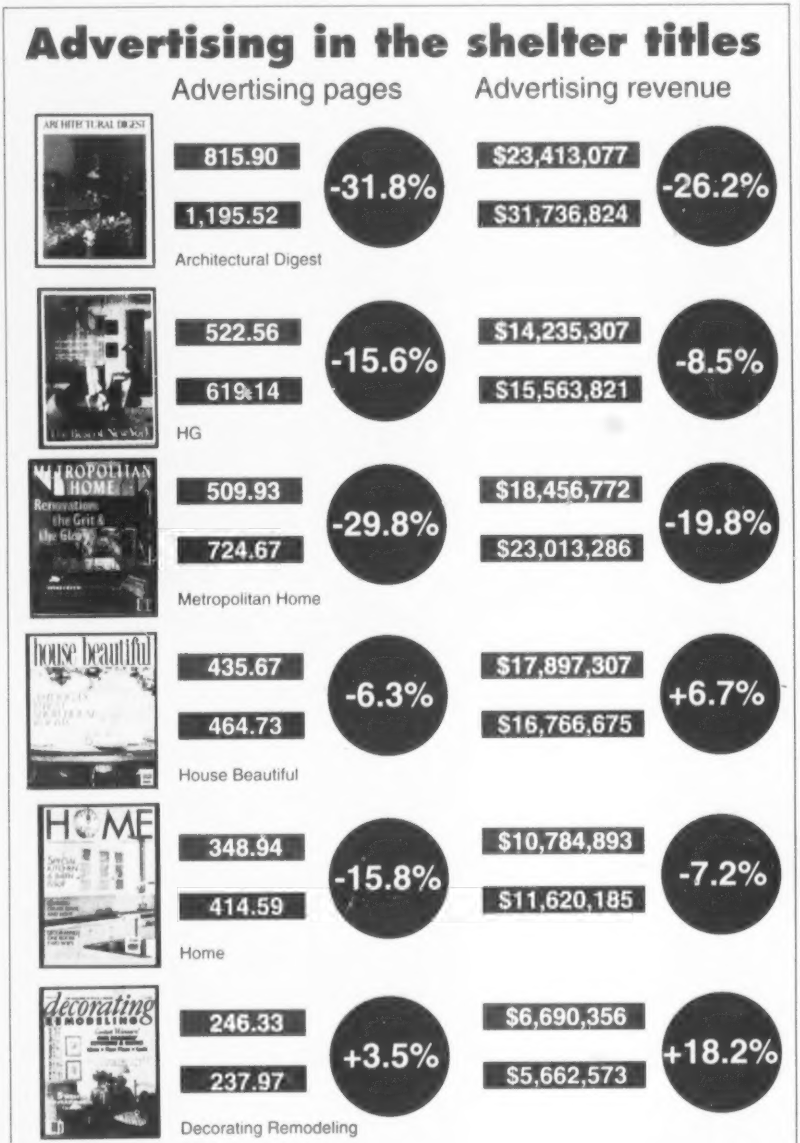
(CONTINUED FROM PAGE 32)

clines. Sales of new homes have dwindled, and the recession has left many consumers with less to spend on remodeling and home furnishings. In turn, advertisers have cut ad budgets.

Several observers think ad declines are influencing the editorial changes. "Home furnishing advertising has been hard hit, and many publishers and editors see the potential to make a lot of money from other advertising," says Nancy Novogrod, editor in chief of *HG*.

In 1988, Conde Nast repositioned *House & Garden* as *HG*, personalizing and broadening the title with a lifestyle approach. One hope was that non-endemic advertising would



Advertising in the shelter titles

	Advertising pages		Advertising revenue	
Architectural Digest	815.90 1,195.52	-31.8%	$23,413,077 $31,736,824	-26.2%
HG	522.56 619.14	-15.6%	$14,235,307 $15,563,821	-8.5%
Metropolitan Home	509.93 724.67	-29.8%	$18,456,772 $23,013,286	-19.8%
House Beautiful	435.67 464.73	-6.3%	$17,897,307 $16,766,675	+6.7%
Home	348.94 414.59	-15.8%	$10,784,893 $11,620,185	-7.2%
Decorating Remodeling	246.33 237.97	+3.5%	$6,690,356 $5,662,573	+18.2%
Elle Decor*	190.86 222.20	-14.1%	NA NA	NA

▇ January - August 1991 ▇ January - August 1990 ● Percent change

Source: Publishers Information Bureau *Data provided by publisher.

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grow. This year, fashion and cosmetics ads represent about 24 percent of the ad base.

"I'm not buying the fact that magazines are really addressing changes in consumer attitudes," says Serge Prengel, president of Mission Advertising, which handles the account for furniture maker Roche Bobois. "It's the basic 10-year presentation—here's how the customer has changed in the eighties or the nineties." What these magazines are really doing is "scrambling for advertisers and readers."

Doubting Thomases

Most of these magazines "can't prove that the American family is really spending more time at home or that glamour is out and a back-to-basics lifestyle is in," says Aves Inc.'s Kay Kreister, who handles advertising for furniture manufacturer Baker, Knapp & Tubbs. "It's hard to make a media buy based on what an editor or publisher is saying," she notes.

"Any magazine has to work with the readers *and* the ad base," says Gropp.

R. Jeffrey Petersen, vice president/publisher of upscale *Architectural Digest*, doesn't buy the "end-of-greed-decade" pitch either. *AD* readers are still willing to cough up $39.95 for 11 issues, and although they may be buying fewer things, "they are still buying the best," he says.

As many of the shelter titles get back to basics, *Decorating Remodeling*, a very service-driven title, is following an impressive ad performance in 1990 (pages and revenue were up 89.6 percent and 97.8 percent, respectively) with additional gains. Through August, ad pages were up 3.5 percent and ad revenue, stimulated in part by a 5 percent rate increase, was up 18.2 percent.

Publisher George Fields attributes gains to an ad space credit program, joint ad buys in *DR* and new products, and value-added offerings. He maintains that *Decorating Remodeling* is trying to become "increasingly important to the 70 accounts that carry 90 percent of our business." ■

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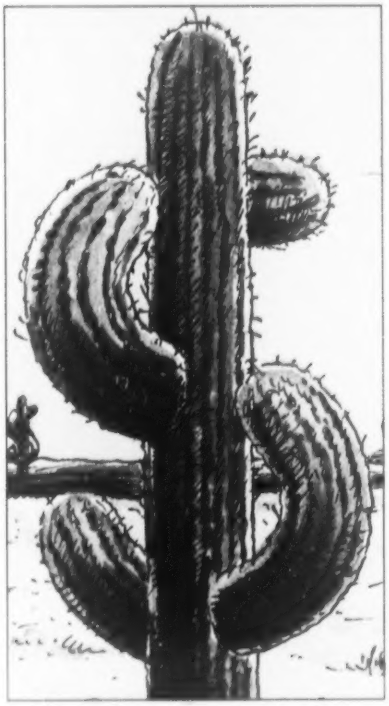

WHEN THE NUMBERS GO AGAINST YOU

Learning how to play the numbers game could save your job and preserve your magazine's editorial position. But you need to ask the right questions if you're going to beat bad-news circ or ad sales figures. **85**

CIRCULATION SALARY SURVEY

Circulation professionals report they're feeling more performance pressure than ever. But do their salaries and bonuses reflect the extra demands on their skills? Find out how you compare to your peers. **67**

FINDING MONEY TO GROW

Cash is scarce, but there are investors out there. Now that the eighties acquisition rush is over, smart publishers are exploring new, creative solutions to raising capital. **62**

REORIENTING BUSINESS TOKYO

A little business magazine from Tokyo has ambitious plans. Can *Business Tokyo* leverage its audience of American business people with interests in Japan into a profitable empire? **49**

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Internal medicine **79**
With fewer staff people *and* less money to spend, magazines are going to the halls of academe for relief.

Reach out and research **92**
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FOLIO:'S 1991

CIRCULATION SALARY SURVEY

By Suzanne Zelkowitz

Pressure. Pressure from escalating postal rates. Pressure due to tighter budgets. Pressure to cut costs without reducing good circulation. Pressure to make up for advertising shortfalls. Pressure to find alternative sources in the face of shrinking response rates. To find buyers—not bodies. To boost returns from direct mail. To switch from a data-centered management mindset to a marketing-centered management structure. To promote growth by . . . .

Increased pressure was this year's circulation salary survey's dominant theme—the harried word coming down to FOLIO: from circulation professionals all across the nation.

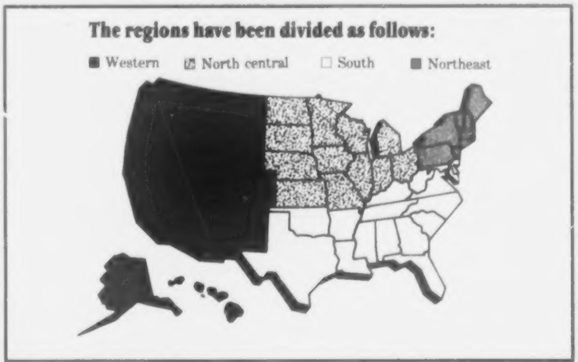
But are publishing companies stoking the motivational fires by offering circulation professionals monetary incentives to work harder in the face of these pressures? FOLIO:'s seventh annual circulation salary survey provides the answers with a complete rundown of salaries and total compensation for circulation directors and managers. Some key findings:

- On average, circulation directors and circulation managers on consumer magazines make 28 percent and 20 percent more in salary, respectively, than their counterparts on business titles.
- Overall, male circulation directors earn 25 percent more in salary than their female colleagues; in general, male circulation managers do better, pulling down 35 percent more than their female peers.
- Those with management responsibilities are rewarded. Circulation directors with more than five employees garner three-quarters more in salary than those with none or one. Managers with more than two employees make 16 percent more than those with none or one.
- Experience pays—or does high pay result in longevity? Directors with more than 10 years in the business make, on average, 40 percent more in salary than their less experienced peers.
- Circulation directors who report receiving bonuses receive 11 percent of their total compensation from these bonuses. Managers who are awarded bonuses earn 10 percent of their total compensation from bonus incentives.

(CONTINUED ON PAGE 70)

Methodology: Three hundred forty-four of the 1,046 circulation professionals who received questionnaires responded to FOLIO:'s seventh annual circulation salary survey, resulting in an overall response rate of 33 percent. Three hundred fourteen responses (30 percent) contained sufficient information to be used for tabulation. The survey was conducted through two mailing efforts in May. Participants were asked to supply data reflecting 1991 earnings. If exact figures were unavailable, they were permitted to estimate.

In some cases, respondents did not give an exact bonus figure, but gave an expected range instead. Here the mean was used for tabulation.


The regions have been divided as follows:

Fifty-one percent of the mailing was sent to circulation directors and 49 percent to circulation managers. Each category was evenly divided between consumer and business magazines. Finally, approximately two-thirds of the sample in each category was drawn from publications with circulations under 100,000, while about one-third came from those with circulations of more than 100,000.

(CONTINUED FROM PAGE 67)

Circulation director: Salary

Circulation director, or top circulation executive: Plans, directs and coordinates circulation marketing efforts. Directly responsible for budgeting and analyses of single-copy and all subscription programs, list rentals, and database planning and maintenance.

Average salaries (The number of respondents is in parentheses.)		**% increase from '90 to '91**
All respondents	$46,463 (200)	10.2%
Business	$40,707 (100)	8.0
Consumer	$52,240 (99)	12.0
Top one-third	$72,934 (66)	
Middle one-third	$40,118 (67)	
Bottom one-third	$26,731 (67)	

	Average	Average business	Average consumer
By region:			
Northeast	$53,906 (80)	$45,128 (35)	$60,733 (45)
South	40,981 (40)	42,643 (20)	39,319 (20)
North central	38,463 (47)	37,616 (33)	40,460 (14)
Western	46,708 (32)	32,604 (11)	54,300 (20)
By sex:			
Male	$53,151 (74)	$48,179 (34)	$57,377 (40)
Female	42,535 (126)	36,858 (66)	48,758 (59)
By age:			
29 or less	$33,156 (46)	$31,153 (26)	$35,760 (20)
30-39	51,025 (84)	45,341 (31)	54,434 (52)
40 or more	49,732 (70)	43,144 (43)	60,223 (27)
By years in circulation:			
Up to 3	$36,387 (45)	$27,649 (23)	$45,521 (22)
4-10	44,111 (97)	40,435 (43)	47,038 (54)
More than 10	58,656 (57)	50,397 (33)	70,882 (23)
Eligible for bonus/incentive:			
Yes	$49,974 (95)	$45,629 (45)	$53,963 (49)
No	43,286 (105)	36,680 (55)	50,553 (50)
By employees supervised:			
None/one	$36,705 (64)	$30,367 (27)	$41,331 (37)
2-5	44,097 (90)	39,598 (48)	49,239 (42)
More than 5	64,666 (46)	54,005 (25)	78,725 (20)
Responsible for:			
One magazine	$37,774 (71)	$33,924 (27)	$40,137 (44)
More than one	51,450 (128)	43,216 (73)	62,607 (54)
By circulation:*			
Up to 19,999	$31,794 (16)	$35,516 (9)	$27,009 (7)
20,000-49,999	33,018 (49)	33,272 (41)	31,713 (8)
50,000-99,999	40,005 (39)	40,770 (22)	38,328 (16)
100,000-499,999	51,260 (75)	51,335 (26)	51,220 (49)
500,000 or more	78,211 (19)	67,000 (1)	78,833 (18)
By frequency:*			
Weekly/biweekly	$51,660 (17)	$54,172 (12)	$45,634 (5)
Monthly	48,375 (140)	39,552 (76)	58,992 (63)
Other	38,183 (43)	34,558 (12)	39,586 (31)
By circulation type:*			
Paid	$51,150 (127)	$45,386 (33)	$53,207 (93)
Nonpaid	38,468 (70)	38,581 (65)	37,000 (5)

***Refers to the largest circulation magazine on which respondent works.**

Them that's got, gets. It's the higher-salaried circulation directors who are more likely to receive a bonus. Just under half of our directors are eligible for one (95 out of 200).

Range of average total compensation

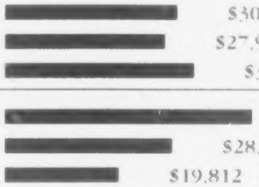
Circulation director:	
Top one-third	$92,993 (28)
Middle one-third	$49,920 (28)
Bottom one-third	$32,698 (29)

Circulation manager:	
Top one-third	$60,563 (8)
Middle one-third	$33,375 (8)
Bottom one-third	$21,825 (8)

Circulation manager: Salary

Circulation manager: Generally the second level of management in the circulation department. Administers circulation programs for subscriptions and single-copy sales. Handles all facets of circulation for one or more titles.

Average salaries (The number of respondents is in parentheses.)



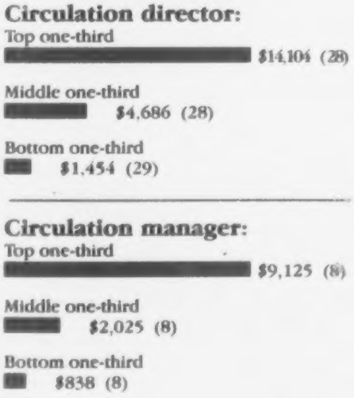
	Average salaries	% increase from '90 to '91
All respondents	$30,465 (114)	10.6%
Business	$27,915 (60)	10.7
Consumer	$33,470 (53)	10.4
Top one-third	$42,653 (38)	
Middle one-third	$28,930 (38)	
Bottom one-third	$19,812 (38)	

	Average	Average business	Average consumer
By region:			
Northeast	$33,957 (45)	$31,695 (20)	$35,766 (25)
South	28,091 (23)	28,769 (13)	27,210 (10)
North central	24,924 (27)	24,418 (17)	25,962 (9)
Western	30,877 (17)	25,190 (10)	39,001 (7)
By sex:			
Male	$37,832 (28)	$34,750 (12)	$40,143 (16)
Female	28,067 (86)	26,206 (48)	30,584 (37)
By age:			
29 or less	$26,519 (46)	$24,046 (24)	$29,217 (22)
30-39	33,672 (37)	30,906 (17)	36,023 (20)
40 or more	32,492 (31)	30,126 (19)	37,333 (11)
By years in circulation:			
Up to 3	$24,688 (47)	$24,173 (30)	$25,597 (17)
4-10	31,694 (51)	30,139 (23)	33,297 (27)
More than 10	42,017 (15)	36,643 (7)	46,720 (8)
Eligible for bonus incentive:			
Yes	$32,945 (31)	$29,813 (16)	$37,150 (14)
No	29,539 (83)	27,225 (44)	32,149 (39)
By employees supervised:			
None/one	$28,743 (71)	$26,208 (38)	$31,663 (33)
2-5	32,994 (35)	30,447 (19)	36,806 (15)
More than 5	34,683 (8)	33,500 (3)	35,392 (5)
Responsible for:			
One magazine	$28,473 (48)	$25,074 (23)	$31,601 (25)
More than one	32,400 (64)	29,944 (36)	35,977 (27)
By circulation:*			
Up to 19,999	$21,580 (17)	$21,950 (14)	$19,853 (3)
20,000-49,999	25,048 (21)	25,288 (16)	24,280 (5)
50,000-99,999	30,247 (34)	31,233 (21)	29,026 (12)
100,000-499,999	33,962 (33)	34,122 (9)	33,902 (24)
500,000 or more	47,889 (9)	0 (0)	47,889 (9)
By frequency:*			
Weekly/biweekly	$33,562 (16)	$33,200 (10)	$34,164 (6)
Monthly	30,175 (76)	27,195 (43)	34,366 (32)
Other	29,215 (22)	29,786 (7)	31,282 (15)
By circulation type:*			
Paid	$32,330 (68)	$28,559 (22)	$34,133 (46)
Nonpaid	27,787 (45)	27,542 (38)	29,114 (7)

*Refers to the largest circulation magazine on which respondent works.

Management responsibility pays dividends. Circulation managers supervising more than two employees earn 16 percent more than those with no staff or a staff of one.

Range of average bonus/incentive



Average annual bonus/incentive*

	Circulation director	Circulation manager
Average bonus/incentive:	$ 6,650 (85)	$ 3,996 (24)
By magazine type:		
Consumer	$ 8,312 (44)	$ 2,900 (10)
Business	5,184 (41)	4,992 (13)
By region:		
Northeast	$ 8,513 (31)	$ 5,015 (13)
South	4,744 (17)	2,167 (3)
North central	5,478 (20)	2,240 (5)
Western	6,538 (17)	1,500 (2)
By sex:		
Male	$ 8,689 (37)	$ 4,171 (7)
Female	5,078 (48)	3,924 (17)
By age:		
29 or less	$ 4,023 (20)	$ 5,045 (11)
30-39	8,129 (42)	3,925 (8)
40 or more	6,235 (23)	1,800 (5)
By years in circulation:		
Up to 3	$ 4,989 (14)	$ 1,689 (9)
4-10	5,435 (45)	5,518 (11)
More than 10	9,648 (26)	3,333 (3)
By employees supervised:		
None/one	$ 2,679 (24)	$ 4,621 (14)
2-5	5,215 (34)	3,244 (9)
More than 5	11,987 (27)	2,000 (1)
Responsible for:		
One magazine	$ 4,835 (27)	$ 1,529 (7)
More than one	7,556 (57)	5,012 (17)
By circulation:**		
Up to 19,999	$ 2,680 (5)	$ 2,000 (3)
20,000-49,999	1,961 (14)	13,800 (3)
50,000-99,999	4,017 (18)	2,222 (9)
100,000-499,999	9,030 (37)	2,240 (5)
500,000 or more	10,800 (10)	4,325 (4)
By frequency:**		
Weekly/biweekly	$ 6,781 (10)	$15,400 (3)
Monthly	6,567 (57)	1,960 (15)
Other	6,842 (18)	3,383 (6)
By circulation type:**		
Paid	$ 7,677 (56)	$ 5,838 (13)
Nonpaid	4,709 (28)	1,800 (10)

*** The number of respondents is in parentheses; includes only individuals who reported receiving both salary and bonus.**

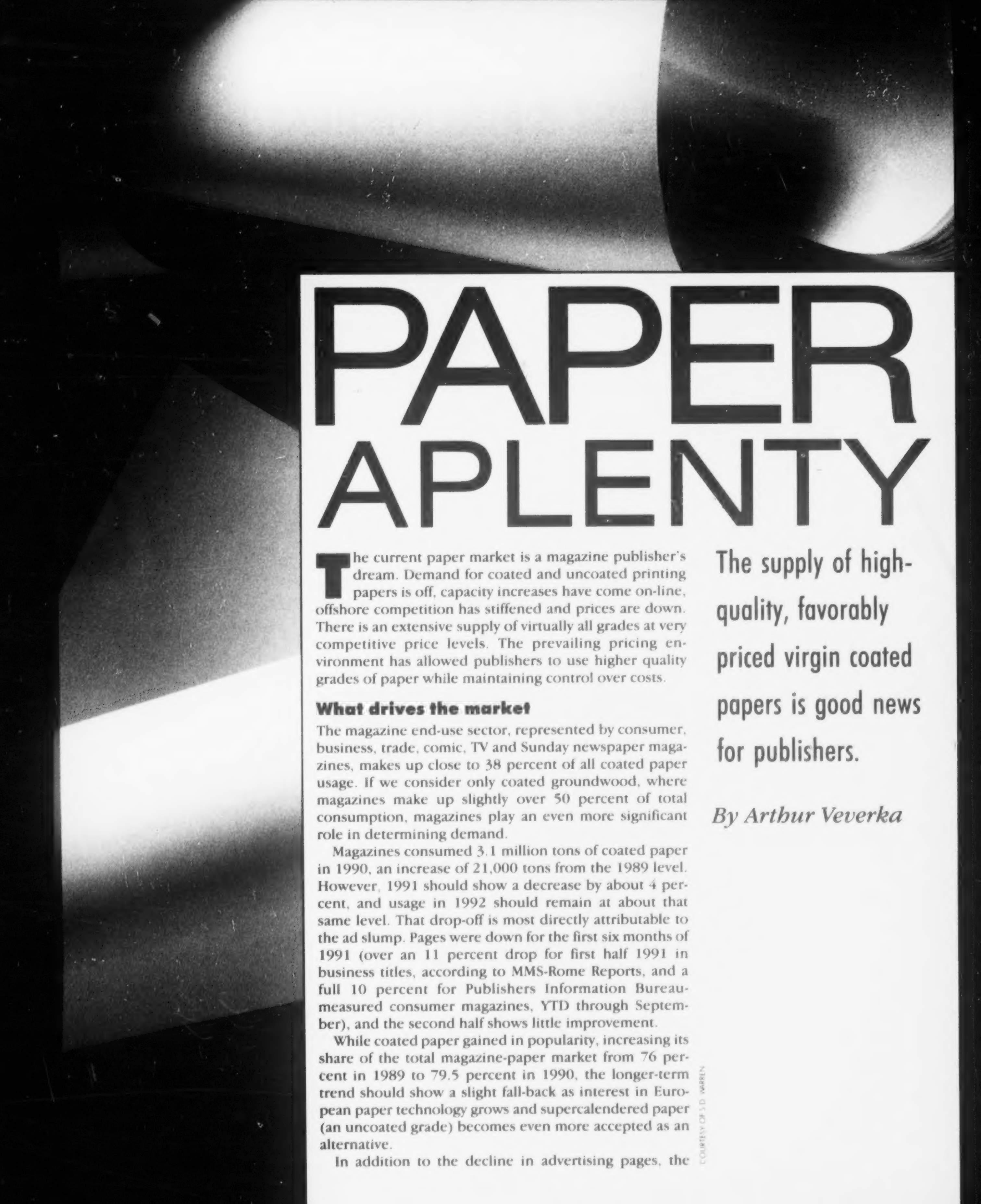
****Refers to the largest circulation magazine on which respondent works.**

Average annual total compensation*

	Circulation director	Circulation manager
Receive bonus/incentive:		
Yes	$58,233 (85)	$38,588 (24)
No	43,286 (105)	29,539 (83)
By magazine type:		
Consumer	$64,902 (44)	$41,910 (10)
Business	51,832 (41)	36,985 (13)
By region:		
Northeast	$72,853 (31)	$39,408 (13)
South	48,472 (17)	31,033 (3)
North central	49,184 (20)	34,440 (5)
Western	51,979 (17)	36,250 (2)
By sex:		
Male	$65,453 (37)	$47,571 (7)
Female	52,667 (48)	34,888 (17)
By age:		
29 or less	$42,213 (20)	$32,227 (11)
30-39	65,983 (42)	49,863 (8)
40 or more	58,010 (23)	34,540 (5)
By years in circulation:		
Up to 3	$39,519 (14)	$27,400 (9)
4-10	53,236 (45)	41,000 (11)
More than 10	76,958 (26)	50,833 (3)
By employees supervised:		
None/one	$39,780 (24)	$35,200 (14)
2-5	51,470 (34)	41,256 (9)
More than 5	83,152 (27)	62,000 (1)
Responsible for:		
One magazine	$45,064 (27)	$27,543 (7)
More than one	64,984 (57)	43,135 (17)
By circulation:**		
Up to 19,999	$33,040 (5)	$28,500 (3)
20,000-49,999	33,083 (14)	39,000 (3)
50,000-99,999	48,412 (18)	35,844 (9)
100,000-499,999	66,263 (37)	40,140 (5)
500,000 or more	90,000 (10)	50,075 (4)
By frequency:**		
Weekly/biweekly	$64,787 (10)	$59,733 (3)
Monthly	59,250 (57)	34,573 (15)
Other	51,369 (18)	38,050 (6)
By circulation type:**		
Paid	$63,079 (56)	$46,769 (13)
Nonpaid	49,120 (28)	29,190 (10)

*** The number of respondents is in parentheses; includes only individuals who reported receiving both salary and bonus.**

****Refers to the largest circulation magazine on which respondent works.**



COURTESY OF S.D. WARREN

PAPER APLENTY

The supply of high-quality, favorably priced virgin coated papers is good news for publishers.

By Arthur Veverka

The current paper market is a magazine publisher's dream. Demand for coated and uncoated printing papers is off, capacity increases have come on-line, offshore competition has stiffened and prices are down. There is an extensive supply of virtually all grades at very competitive price levels. The prevailing pricing environment has allowed publishers to use higher quality grades of paper while maintaining control over costs.

What drives the market

The magazine end-use sector, represented by consumer, business, trade, comic, TV and Sunday newspaper magazines, makes up close to 38 percent of all coated paper usage. If we consider only coated groundwood, where magazines make up slightly over 50 percent of total consumption, magazines play an even more significant role in determining demand.

Magazines consumed 3.1 million tons of coated paper in 1990, an increase of 21,000 tons from the 1989 level. However, 1991 should show a decrease by about 4 percent, and usage in 1992 should remain at about that same level. That drop-off is most directly attributable to the ad slump. Pages were down for the first six months of 1991 (over an 11 percent drop for first half 1991 in business titles, according to MMS-Rome Reports, and a full 10 percent for Publishers Information Bureau-measured consumer magazines, YTD through September), and the second half shows little improvement.

While coated paper gained in popularity, increasing its share of the total magazine-paper market from 76 percent in 1989 to 79.5 percent in 1990, the longer-term trend should show a slight fall-back as interest in European paper technology grows and supercalendered paper (an uncoated grade) becomes even more accepted as an alternative.

In addition to the decline in advertising pages, the

following factors also slowed demand:

- Postal rate increases;
- Newly implemented or anticipated taxes;
- A trend toward lighter basis weight;
- Circulation cuts to deliver more revenue per sub;
- Growing use of recycled fiber.

A move to lighter weights

Increased costs due to a 40 percent rise in postal rates and new taxes on magazines are in part driving a trend toward ultra-lightweight coated stock. In the past, few publications were printed on paper lighter than 36 or 34 pounds, but now many magazines are moving toward the 30- and 32-pound categories. These lighter weight papers are gaining acceptability as mills achieve better opacity and improved machine runnability. The major complaint of many advertisers is that the lightweight papers allow too much show-through. This in turn opens a door for supercalendered papers, since they offer the lower basis weights and less show-through at a lower cost level.

Interest, not action, in recycling

At the same time, publishers are being pressured from all sides—by the government and by their readers—to consider the use of recycled paper. Right now, though, the primary demand for recycled paper is coming from magazines that have an environmental slant.

The biggest obstacles to more extensive use of recycled paper appear to be price, lack of availability and poor quality—with price being the biggest hurdle. Once recycled paper becomes an attractive economic alternative, mass-market publishers will certainly look at its use more closely.

Similarly, printers' lack of experience in recycled paper printing will gradually cease to be a problem. Recycled papers' printing performance is not the same as virgin fiber sheets'. As printers' knowledge grows, use of recycled papers will increase, although it's unlikely that recycled products will have any major impact on demand for coated paper over the next two years.

Better quality, lower cost

Higher quality grades will experience the highest growth rates. Offshore producers introducing new grades (such as double-coated mechanical) and superior quality supercalendered and lightweight coated papers at competitive prices have become a real boon to North American publishers.

Because of the oversupplied market, many U.S. coated freesheet producers have also upgraded their

U.S. supply/demand profile

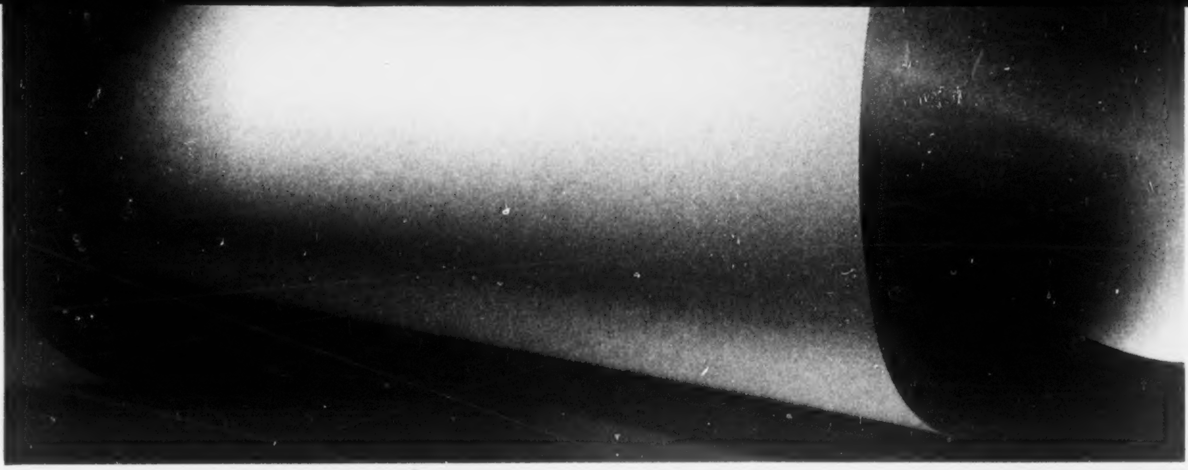
(in thousands, short tons)

			Forecast	
	1990	**1991**	**1992**	**1993**
Coated groundwood				
U.S. capacity	4,398	4,553	4,596	4,628
U.S. shipments	4,214	4,190	4,445	4,560
(–Total exports)	137	150	170	185
Total U.S. imports	665	610	700	785
Total U.S. consumption/demand (Shipments – exports + imports)	4,742	4,650	4,975	5,160
U.S. capacity utilization (%) (Shipments ÷ capacity)	95.8%	92.0%	96.7%	98.5%

			Forecast	
	1990	**1991**	**1992**	**1993**
Coated freesheet				
U.S. capacity	3,638	4,023	4,362	4,533
U.S. shipments	3,307	3,255	3,655	3,900
(–Total exports)	82	90	110	135
Total U.S. imports	272	250	260	260
Total U.S. consumption/demand (Shipments – exports + imports)	3,497	3,415	3,805	4,025
U.S. capacity utilization (%) (Shipments ÷ capacity)	90.9%	80.9%	83.8%	86.0%

Source: Jaakko Poyry Consulting. Historical data and capacity information from American Paper Institute.

The supply/demand ratio is expressed as the industry operating rate (or capacity utilization). In general, the lower the percentage of capacity utilization, the better for publishers in terms of negotiating lower prices. In 1992, the pricing environment should be mixed. Publishers will probably see list prices for coated groundwood remain at around the same levels, although discounts will probably drop from 1991 by about 5 percent. The main reasons for prices being kept down is heightened competition from heavily discounted coated freesheet grades and possible ongoing pressure from offshore producers. Coated freesheet will continue to be a bargain in the year to come. While demand for grades #3 and #4 will increase, there will still be an overcapacity situation. Capacity utilization should remain in the mid-80-percentile range through 1993, holding prices to 1991 levels.



quality and introduced new grades to boost their competitiveness. In many instances these grades feature characteristics typical of the next higher grade (*e.g.*, a #4 grade with #3 qualities), but are being marketed at the lower-grade price. Thus, even publishers working on very tight budgets may now be able to afford to take a step up in paper quality this year.

Inventories high

Although demand for coated paper should increase in 1992 because it is both an election and Olympic year, it will have little impact on shipments. Purchasers' inventories increased in 1990, as many mills attempted to keep their capacity utilization up and storage space clear by pushing excess supply out to the marketplace. Thus, any increased demand will probably be satisfied by existing inventory rather than new manufacture.

> Over the long run, the supply picture should tighten up, although buyers will have the edge through 1992.

The expected increase in the 1992 demand for coated paper is 715,000 tons, or almost 9 percent over 1991 levels. The increase is expected to be spread equally between coated groundwood and coated freesheet papers on a tonnage basis.

With the majority of industry-wide investment complete and the many planned expansions shelved because of the poor market conditions, the supply picture should tighten up over the next few years, although 1992 will still favor the buyer. The one certain new coated groundwood machine in the 1990s—at Boise Cascade's Rumford mill—has been delayed again, from 1993 to 1994.

With supply no longer growing, the balance between supply and demand will level out. This, coupled with increased demand driven by the Olympics, the Presidential election and an improving economy, will bring the market back into balance.

Where prices are going

At the risk of oversimplifying a complex relationship, it can generally be stated that product prices are determined—by and large—by the supply/demand ratio. This ratio, expressed as the industry operating rate (or capacity utilization) is the total shipments divided by capacity. Figures cited on the preceding table under shipments reflect our best estimate of production output; however, some paper may be held out of the marketplace as inventory. Capacity figures represent the potential for paper production—*i.e.*, total production capability with all mills running at 100 percent of capacity.

In 1992, the pricing environment for publishers should be somewhat mixed. Coated groundwood prices in 1991 were below what was expected, with discounts of up to $140/ton (about 15 percent on average) for coated groundwood #5. Although the demand for coated groundwood will increase and no new capacity will be coming on-line, publishers will probably see list prices remain at around the same levels in 1992, although the discounts being offered will probably shrink by about 5 percent. The main reason for prices being kept down is increased competition from coated freesheet grades, which are also being heavily discounted, plus the possibility of continuing offshore competitive pressure.

Coated freesheet papers will offer an even better bargain for publishers in the following year. In 1991, suppliers offered discounts of up to 20 percent off list price for the #3 and #4 grades. While demand for these grades will increase, there will still be an overcapacity situation due to all the machines that came on-line in 1990. Capacity utilization should remain in the mid-80-percentile range through 1993. This will make meaningful price increases difficult to achieve.

The lengths to which paper suppliers are going to hold business is illustrated by the fact that an acceptable 26-pound lightweight coated groundwood paper is now on the market. This option would have been unthinkable two years ago when it was a seller's market.

At a time when there is very little good news for magazine publishers, the paper industry is providing some solace. Paper prices will hold steady and producers will enhance quality, increase recycled fiber use, and offer lighter basis-weight papers. ■

Arthur C. Veverka is president of Jaakko Poyry Consulting, the Tarrytown, New York-based subsidiary of an international consulting and engineering firm specializing in forest products, printing and print media.

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Folio:

See our new editorial index . . . page 134

JANUARY 1, 1992 THE MAGAZINE FOR MAGAZINE MANAGEMENT $6.50

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WHEN HIGH STANDARDS COST AD SALES

No age-ist ads, no eco-offensive ads, no ads in bad taste. Does that leave anything to fill paid pages? Yes, say some of the magazine publishers who hold their advertisers' messages up to close scrutiny. Exclusivity can have its rewards—not the least of which are increased ad pages and readers who appreciate being shielded from ads in poor taste. **62**

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Vol. 21 No. 1

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ABP The Audit Bureau MPA

Industry is unfazed by 'Baby Bells' flap

By Warren Berger

The slugfest between the newspaper industry and the regional Bell telephone companies over delivery of information services via phone lines to home television sets has heated up in recent months. Still sitting at ringside, though, are magazine publishers, who could also be hurt by the "Baby Bells" foray into electronic delivery of information.

"This is an issue that should concern every magazine publisher," says Arthur Rosenfield, an industry consultant. Many observers see phone company expansion having a potential impact on business directory publishers, city and regional magazines, or anyone who publishes information that could be gathered into databases and transmitted to customers.

Says Phil Balboni, special assistant to the president of Hearst Corporation, who has also been a point man for Hearst on the information-services issue: "Certainly, the most immediate impact may be on newspaper publishers, but anybody who's a publisher of information should be concerned. It's just a question of when your segment will be affected."

"It doesn't threaten us," says MPA's Kummerfeld.

So far, however, there has been little organized effort on magazine publishers' part. Magazine Publishers of America president Donald Kummerfeld says magazines "haven't gotten that involved because the issue is almost entirely over classified advertising. Our members, for the most part, don't carry classified, so it doesn't really threaten us. We know that there will be more transmission of information through the telephone lines, but that doesn't mean it's going to hurt magazines," Kummerfeld insists.

Jim Dowden, executive director of the City and Regional Magazine Association (CRMA), admits that "the issue hasn't come up in our meetings. For a monthly medium, I don't think it's a concern."

Even weeklies, which offer a more time-sensitive product, seem unfazed. "We're dealing with a lot of problems and issues—from agency dis-

(CONTINUED ON NEXT PAGE)

Soap titles having the 'days of their lives'

Market awash with new magazines.

By Andrew Marlatt

Soap Opera Digest has long been the guiding light of its genre, but in recent years, young and restless newcomers have joined the fray, proving that soap opera magazines truly live in another world.

The November revival of NBC's *Daydreams* brings the total number of soap publications launched since 1988 to five, two of them since October. Yet despite competition and falling soaps' viewership—some say because of it—the magazines are thriving.

Ad revenues are up 42 percent at *Digest*, according to Publishers Information Bureau, and up 80 percent at sister publication *Soap Opera Weekly*, its publisher says. Both are owned by K-III Magazines. Four-year-old *Soap Opera Update* has increased circulation by 33 percent in the past six months, says its owner.

Capital Cities/ABC's one-year-old *Episodes*—covering the ABC soaps—has a circulation of 1.5 million. And NBC is testing a new version of *Daydreams*. An earlier version was launched in 1985 and closed in 1987. An entry from Macfadden's Enquirer/Star Group, *Soap Opera Magazine*, hit the stands in October and presold all its 1991 ad pages, says group publisher Barbara Hannah Marks.

Like any good soap story, there is some bad news lurking in the shadows: *Weekly* missed its 500,000 rate base in June—distribution problems, claims the publisher. And circulation at *Episodes* has fallen from 1.9 million in June to 1.5 million currently—"leveling off," says a spokesman.

Still, the market is growing.

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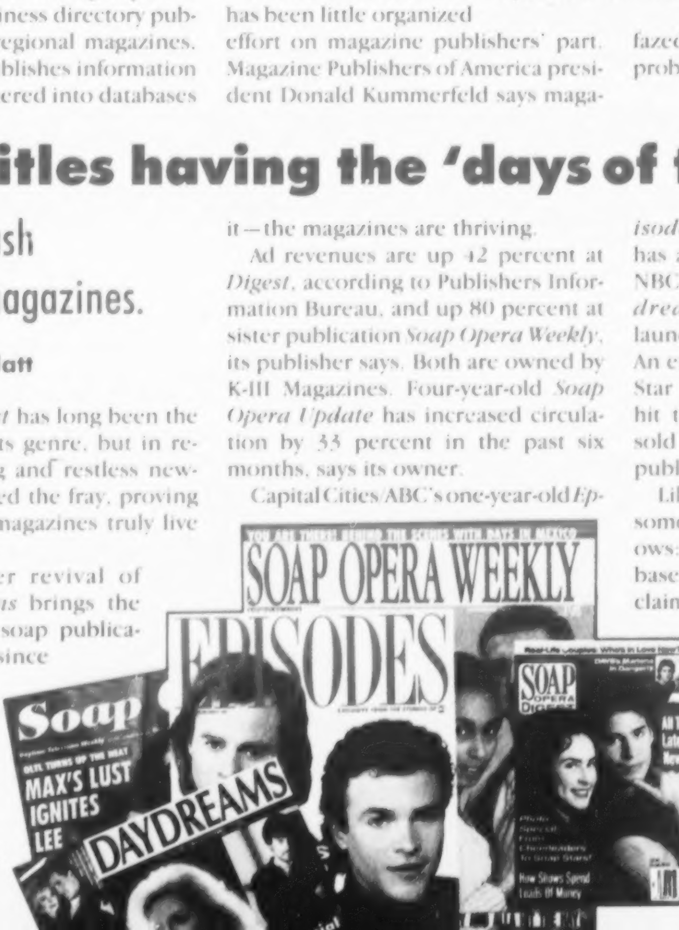
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Five new soap opera magazines have been launched since 1988, two since October.

Industry is unfazed by 'Baby Bells' flap

(CONTINUED FROM PREVIOUS PAGE)

counts to postal rate increases—and this just isn't a primary concern right now," says *Newsweek* publisher Peter Eldredge.

Newspapers threatened more

Clearly, there's reason to believe that newspapers would feel the impact sooner and more strongly than magazines. In the wake of an October Federal Appeals Court decision in Washington, D.C., that lifted restrictions prohibiting the Bells from owning information services, the seven regional phone companies are expected to begin offering "Electronic Yellow Pages" soon, which would include classified advertising. They may also begin offering fast-breaking information such as stock quotations, sports scores and headline news. In response, newspaper publishers have led an aggressive lobbying and promotional effort designed to persuade Congress that the phone companies would have unfair competitive advantages in the market.

> 'You can't take a video terminal into the bathroom.'

The phone companies agree that magazines' turf is safe—for now. "Transmitting magazine articles by videotext is not on the agenda right now," says Kitty Bernick, director of external affairs at the Pacific Telesis Group, one of the seven regional Bell companies.

But observers such as Rosenfield foresee scenarios in which the Bells might use emerging technology, including high-capacity fiber-optic lines, to transmit articles complete with visuals to television screens or color fax machines. "You have to look at where the technology is likely to be in a few years," he says.

Magazine printers, who in theory could also lose business as telephone technology evolves to the point where people could download material from their televisions to personal printers, still seem unconcerned. "I don't see it having a major impact on high-quality, four-color processing," says John Anderson, senior vice president at Judd's, Inc.

Quality may be the operative word. Most publishers seem to believe that, for now, colorful graphics and thoughtful, interpretive writing will insulate magazines from info-services competition. "They might be able to deliver sports scores, but I can't imagine a utility taking on a journalistic role," says Alan Leveritt, publisher of Arkansas Writers' Project, which publishes *Arkansas Times* and *Arkansas Business*. Adds Ken Neill, president-elect of CRMA: "Magazines offer quality, shelf-life and portability. The bottom line is, you can't take a video terminal into the bathroom." ■

Utilities aren't journalists, Leveritt says.

Having the 'days of their lives'

(CONTINUED FROM PREVIOUS PAGE)

The reason, summarizes Marks, is that "These women just cannot get enough." Women make up the majority of the 40 million daytime-drama viewers, a market that prior to 1988 was served only by *Soap Opera Digest*. "It was one of the great underdeveloped areas in magazine publishing," explains William Abrams, executive director of *Episodes*.

The editorial pace of the soap magazines is brisk. Quick takes, short synopses and lots of photos are the norm, though *Digest* and *Episodes* also tackle longer features. Editorial differences are generally slight.

The downturn in daytime viewership has not slowed expansion. In fact, says Elaine Shindler, publisher of *Digest* and *Weekly*, "Declining viewership may actually help," because women who have no time to tune in will instead turn pages to catch up.

The Enquirer Star Group launched *Soap Opera Magazine* in October after concluding that with the company's large distribution network and rack sales experience, "it was a no-lose situation for us," explains Marks.

Soap Opera Update, currently published every three weeks, was launched in 1988 by Jerome Shapiro, who founded *Soap Opera Digest* back in 1975. Shapiro sold *Digest* in 1980 to *The Providence Journal*. However, he says, he got back in the business after realizing it was becoming more and more lucrative.

Even with the market becoming more crowded, publishers don't see a saturation point yet. "There is room in the field for all of us," Marks concludes. In other words, as the publishing world turns, and turns downward, soap magazines are having the days of their lives. ■

CLEANING UP

As circulation grows in the soap opera magazine market, more titles enter the fray.

MAGAZINE	LAUNCH DATE	6/30/90	12/31/90	6/30/91	PRESENT
[illegible]	[illegible]	[illegible]		[illegible]	[illegible]
Soap Opera Update	1988			150,000	[illegible]
Soap Opera Weekly	1989		445,902 †	486,457 †	550,000
Episodes	1990		2,023,118 ✢	1,945,484 ✢	1,500,000 •
Soap Opera Magazine	1991				375,000 •
Daydreams	1991				Debut 12/91

† Audit Bureau of Circulations
✢ Business Publications Audit of Circulation
• Publisher's statement
✢ Initial audit

There's room in the field for all the magazines, says Macfadden's Barbara Marks.

The odd couple: Magazines and TV

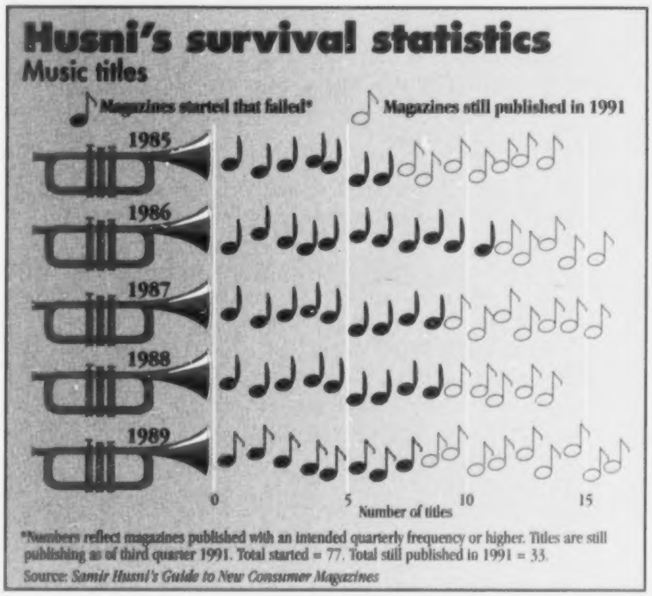
By Samir Husni

It used to be that magazines vied for consumer attention with three powerful, wide-reaching television networks. Today, however, competition has proliferated exponentially. Magazines now have to contend with at least 30 different cable channels, three to five pay channels and pay-per-view specials for the readers' time and the advertisers' messages.

But this isn't necessarily bad news for the print media. Enter the new buzz word: complement. Instead of competing with television, publishers are beginning to view the specialized channels as good sources of "appetizer" information for their would-be readers.

MTV, ESPN and BET, for example, whet the appetite of the viewer with video presentations focusing on music, sports activities or subjects of interest to black audiences.

These special-interest cable channels have paved the way for magazines like *Live Wire*, *Metallix* and *Hard Rock*. *Paddle Sports*, *Paint Ball Sports* and *Personal Watercraft Illustrated* springboard off the targeted-interest sports channels. *Emerge* and *YSB* (*Young Sisters and Brothers*) exist symbiotically alongside BET. The list continues. Fox Television introduces "America's Most Wanted" and publishers introduce *Wanted* and *Crime Beat*.



*Numbers reflect magazines published with an intended quarterly frequency or higher. Titles are still publishing as of third quarter 1991. Total started = 77. Total still published in 1991 = 33.

Source: *Samir Husni's Guide to New Consumer Magazines*

Publishers have discovered that they can capitalize on one of TV's biggest problems: time. There's only so much time to devote to wrestling each day. Some viewers want more. The solution? A new wrestling title.

But James A. Autry, recently retired president of Meredith's magazine group, warns about taking TV programming and turning it too literally into magazines. "If you transfer all that junk on television directly to paper, all you get is junk." The key is to complement, not duplicate.

Nancy Woodhull, executive vice president and editor in chief of Time Inc. Magazine Co.'s Southern Progress Corporation, sums up the television-magazine relationship. "Television forces waves of energy that people can ride. It adds passion to events. Magazines freeze the moments so that readers can really enjoy them."

Magazines, she adds, are portable and scannable in a way that TV isn't.

While many publishers see TV as a competitor for advertising dollars, in reality broadcasting ignites special interests that can be satisfied only by new magazines. ■

Samir Husni is head of the Magazine Service Journalism Program at the University of Mississippi and editor of Samir Husni's Guide to New Consumer Magazines.

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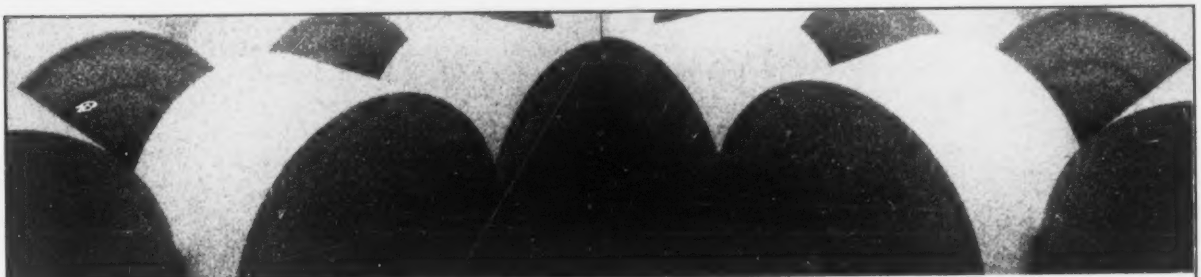

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THE UNCOATED PAPER ALTERNATIVE

Battered by rising costs, publishers must examine every paper option.

By Arthur C. Veverka

Although uncoated papers have never played a major role serving magazine publishers' paper needs, their use tends to pick up during an economic slowdown. Given the improved quality of many of these grades, especially supercalendered (SC), they provide publishers with an attractive alternative from both an economic and a performance standpoint. Therefore, this market bears watching.

As with coated papers, the supply/demand balance favored the buyer throughout 1991. With the economy limping along toward recovery, the outlook is still expected to favor publishers at least through 1992.

In forecasting the outlook for uncoated paper, we must look at the two main grades—uncoated groundwood and uncoated freesheet—separately. From a publisher's perspective, uncoated groundwood is the more important of the two, as it comprises approximately 55 percent of the total uncoated grades used by the printing industries. SC printing papers constitute just under 25 percent of this total. A breakdown of the major end users in 1990 shows magazines at 16 percent; inserts/fliers, 30 percent; catalogs, 12 percent; directories, 19 percent; and all other uses, 23 percent.

In the case of uncoated freesheet papers, most of the demand is driven by non-printing applications, mainly business forms and copy paper. The printing industry accounted for just over 22 percent of uncoated freesheet paper use in 1990. Uncoated freesheet use in magazines is fairly limited, accounting for just 0.8 percent of total uncoated freesheet demand.

Not a typical pattern

In a recession, uncoated use would normally rise because of cost-saving incentives. However, many magazine publishers have instead taken advantage of the glut in the coated paper market to save on paper costs. In some cases, publishers have been able to improve quality without increasing costs by switching to a lighter basis weight of higher quality. Lately, the trend has been to shift to a lower basis weight to improve margins and save on mailing costs rather than downgrade the quality of the paper used.

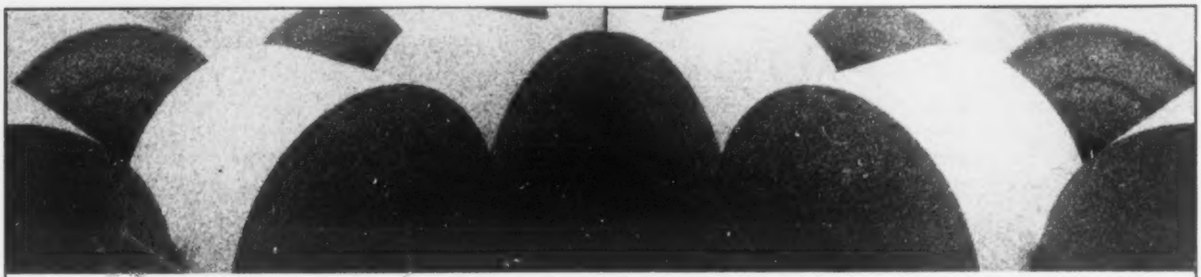
Total demand for uncoated groundwood was just over 3.67 million tons in 1990. We expect to see that demand drop by 150,000 tons in 1991, to 3.5 million tons, and then increase by 160,000 tons in 1992. The fall-off in 1991 reflected the recession, decreased ad expenditures and overcapacity in other paper grades.

The paper stock that will show the most growth in demand is SC. Although SC use for magazines fell by 3.6 percent from 1989 to 1990, we have not seen a decline in demand like the drop for coated grades.

Overcoming obstacles to SC use

SC papers have been the paper of choice for European magazine publishers for quite a while because of the predominance of gravure printing in Europe. In the United States, it is still too soon to tell whether these grades will replace coated groundwood in magazine production to any great extent, although consistency has improved and printers have become more confident printing on SC. Contrary to last year's predictions, SC grades did not gain any significant market share in the United States over less expensive machine-finished uncoated groundwood grades in 1990. In large part, this was because of the continued recession, which caused publishers to tighten production budgets.

But because SC papers are still cheaper than coated, plain economics will prove to be the greatest force fueling increased use. In seeking less expensive, lighter-weight paper compared to coated #5 paper, publishers will naturally turn to the less costly supercalendered grades. Another incentive for publishers to increase use of SC, as they move to the lighter basis weights, is that



there is less show-through with SC than with lightweight coated stock. And currently, SC grades are being discounted up to $50 to $100 per ton in response to discounts on coated groundwood grades.

The capacity picture

In 1990, total North American capacity for producing uncoated groundwoods was about 4.0 million short tons. The total North American capacity for uncoated groundwood is expected to go up by 390,000 short tons through 1993. All of this increased capacity will come from increases in Canada's uncoated groundwood capacities. Currently over half the total U.S. uncoated groundwood demand is met by Canadian imports.

Although there are no new uncoated groundwood machines scheduled to come on line in the United States over the next few years, a number of companies are exploring the possibility. Lake Superior Paper Industries is reportedly studying the prospect of putting in a second machine. Daishowa delayed putting in a new machine to produce directory paper at Port Angeles, Washington, because of poor economic conditions, but is putting in de-inking facilities to make recycled-content directory paper. One other project put on hold was Madison's expansion of SC paper at its Madison, Maine, mill. The one new machine—Stone Consolidated at Grand'mere—will produce a SC-B grade using soft-nip calendering technology.

As the economy improves and the outlook becomes more stable, some of the delayed projects should start up. We have also detected a renewed interest in this grade among many other paper companies.

North American uncoated freesheet capacity rose by 176,000 tons from 1989 to 1990. From 1990 to 1991, capacity grew by another 650,000 tons (4.7 percent).

Publishers have the advantage

Paper buyers will be in a very favorable position for the next couple of years. Pricing pressures on uncoated groundwood paper suppliers, in particular, will maintain publishers in an advantageous negotiating position. The lack of coated groundwood capacity, however, means that producers should be able to raise prices and improve the profitability picture for the grade beginning in mid-1992.

Although publishers' costs are increasing in many areas, paper availability and pricing remain a bright spot. Paper producers continue to improve sheet quality and to offer both lighter basis weights and cost-effective alternative grades that go a long way in helping besieged publishers hold down expenses. ■

Arthur C. Veverka is president of Tarrytown, New York-based Jaakko Poyry Consulting.

U.S. supply/demand profile

(In thousands, short tons)

	1990	1991	Forecast 1992	1993
Uncoated groundwood				
U.S. capacity	1,924	1,920	1,929	1,933
U.S. shipments	1,768	1,755	1,815	1,855
(–Domestic)	1,693	1,650	1,695	1,705
(–Export to Canada)	39	45	45	50
(–Export to other)	36	60	75	100
U.S. imports	1,982	1,875	1,990	2,160
(–From Canada)	1,578	1,500	1,640	1,685
(–From all other)	404	375	350	475
U.S. consumption/demand **(Shipments – exports + imports)**	3,675	3,525	3,685	3,865
U.S. capacity utilization (%) **(Shipments ÷ capacity)**	91.9%	91.4%	94.1%	96.0%

	1990	1991	Forecast 1992	1993
Uncoated freesheet				
U.S. capacity	12,145	12,717	13,104	13,158
U.S shipments	11,478	11,405	12,010	12,240
(–Domestic)	11,245	11,120	11,660	11,815
(–Export to Canada)	165	185	200	225
(–Export to other)	68	100	150	200
U.S. imports	753	680	835	970
(–From Canada)	573	550	725	820
(–From all other)	180	130	110	150
U.S. consumption/demand **(Shipments – exports + imports)**	11,998	11,800	12,495	12,785
U.S. capacity utilization (%) **(Shipments ÷ capacity)**	94.5%	89.7%	91.7%	93.0%

Source: Jaakko Poyry Consulting. Historical data and capacity information from American Paper Institute

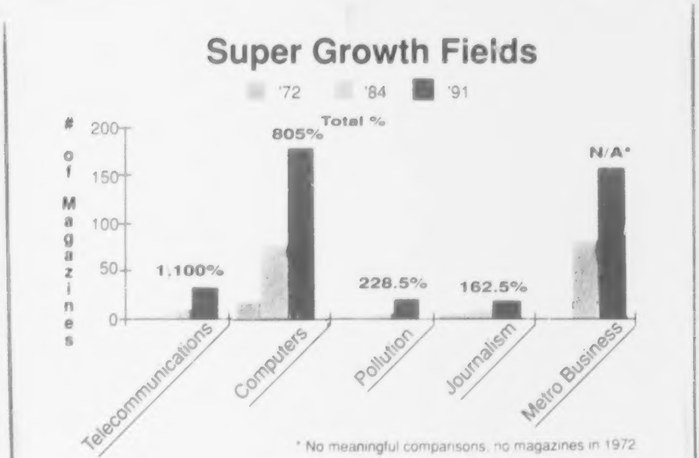
Capacity utilization rates for uncoated groundwood producers dropped in 1991, but will start climbing in 1992. Uncoated freesheet capacity utilization bottomed out in 1991. These rates, too, are expected to rise, gradually pushing prices upward.

The Life BUSINESS

Media maven James Kobak compared nearly two decades of business-to-business magazine data, using Standard Rate and Data Service's January 1972, January 1984 and July 1991 editions. What his analysis revealed is that trade magazines' fortunes are inexorably linked to the emergence, prosperity and decline of the industries that these magazines serve.

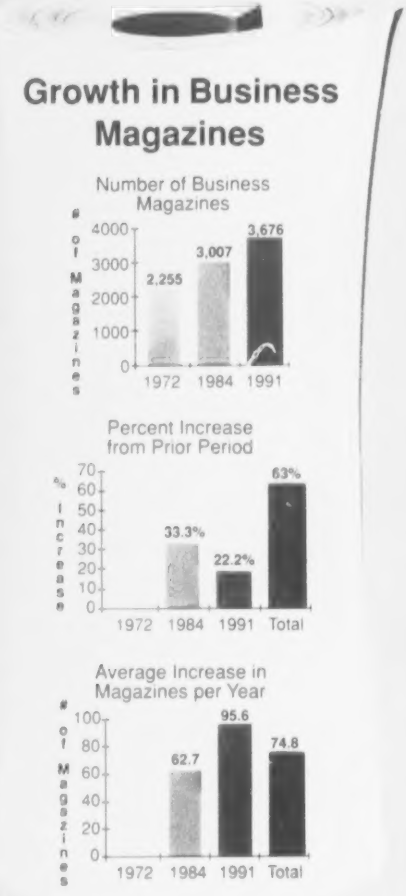
A review of the SRDS data suggests that the ever-proliferating number of

There are 181 computer magazines listed today. But of the 20 originally shown in the 1972 SRDS, there's only one left. There was an explosion of 244 entries from 1984 through July 1991—but in that same time frame, 144 magazines bit the dust.



Super Growth Fields

* No meaningful comparisons, no magazines in 1972



Growth in Business Magazines

Number of Business Magazines

Percent Increase from Prior Period

Average Increase in Magazines per Year

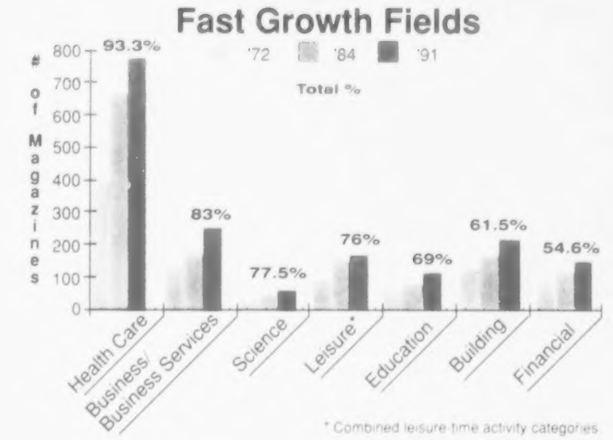
ILLUSTRATION AND CHARTS BY JENNY ADAMS

Cycle of MAGAZINES

magazines is a response to the increasing complexity of the business landscape and commercial technology. The hottest industries are characterized by the highest attrition rates—and so, too, are the magazines that cover those fields. Yet despite the large number of failures in burgeoning fields like computers, there was no shortage of newcomers.

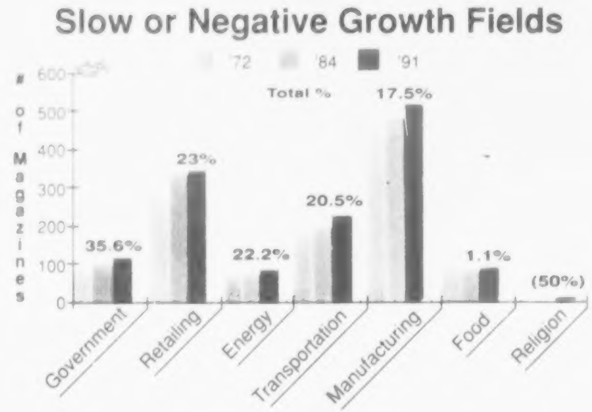
If there is a lesson to be learned, it is this: The only constant is change, and that "we've always done it that way" spells death for business magazines.

By James B. Kobak



In terms of accumulated knowledge and information, the bio-medical field has overwhelmed all other sciences in the past 20 years. Apparently, those working in health care are desperate to keep up, hence the proliferation of magazines in the market.

A mature manufacturing field, chemicals is poking along with just four more titles listed in 1991 than in 1972. Of the original 22 chemical titles, 14 are still with us. It may not be a growth category, but, for publishers, the chances of survival here are 13 times greater than in the fast-paced, highly competitive computer field.



***James B. Kobak** is head of James B. Kobak & Company, a Darien, Connecticut-based consulting firm specializing in print media.*

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BOOST YOUR DELIVERABILITY

Are your third-class mailings being trashed in corporate mailrooms? Discover how to outwit the most vigilant postal monitors without raising your direct-mail costs. 97

HOW TO GET GRAPHICS THAT GRAB READERS

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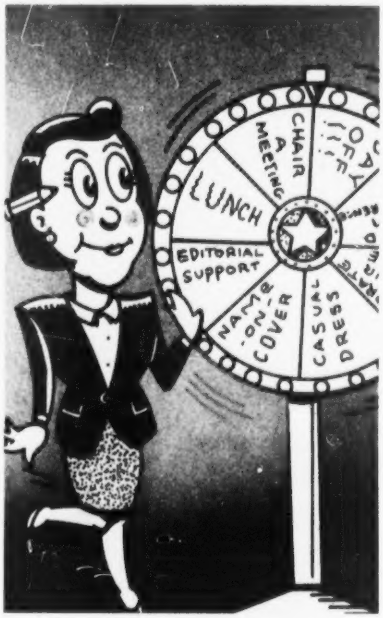

WHAT DO EDITORS REALLY WANT?

It takes more than money to keep talented editors and writers happy and productive. A top trade editor offers some surprising advice on perks and privileges that cost employers almost nothing, but can make all the difference when it comes to retaining your staff and boosting their morale. **89**

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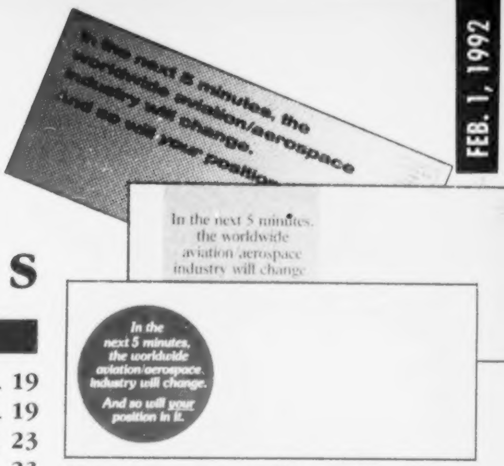
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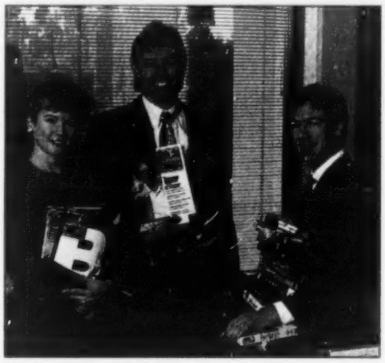
Are your third-class mailings being trashed in corporate mailrooms? Discover how to outwit the most vigilant postal monitors.



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Edgell's *Video Store* figured being a contender meant going weekly. Will its $2 million investment help it survive the coming shakeout?

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THE MAGAZINE FOR MAGAZINE MANAGEMENT

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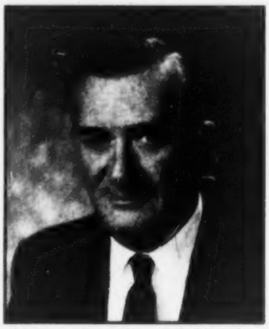
Advertisers' 1992 print-spending plans upbeat

By Lisa I. Fried

Will the industry's bread-and-butter advertisers slash spending again this year? What do big-ticket advertisers really want from magazines?

To get answers, FOLIO: talked to advertisers in seven diverse industries and to Jim Guthrie, executive vice president of Magazine Publishers of America.

Through September 1991, magazines' share of ad spending rose from 15.9 percent to 16.5 percent, according to Leading National Advertisers. This year, Guthrie predicts the industry will retain that share.



"Magazines have helped us," says Mulcahy.

Magazines that help advertisers reach narrowly focused prospect lists, that act as marketing partners, and build a bond with readers, and also fulfill consumers' desires to improve their homes, families and selves have the edge.

Following is a list of some of the leading ad categories and their plans for 1992:

Automotive. At Toyota Motor Corp., "magazines will continue to play an intricate part in the advertising strategy," says Jerry Perry, national ad manager. Financially healthy magazines with loyal magazine readers who fit customer profiles for the cars are targeted. He says he's also interested in marketing options beyond ad space.

Computers/Office Equipment. Xerox Corp. will continue to spend heavily in trade titles reaching computer-purchasing decision-makers and increase spending in U.S. and European editions of the newsweeklies and business titles, according to Michael Kirby, director of worldwide strategic advertising. Canon, however, will spend 20 percent less in magazines, says Hajime Hirai, vice president for advertising.

Food. With their profit margins squeezed, Guthrie predicts that many food marketers will follow Procter & Gamble's lead in moving some money from promotion and into magazines. Campbell Soup Co.'s interest in promoting new soups resulted in a projected hike in magazine spending of $13 million from August 1991

(CONTINUED ON NEXT PAGE)

English taking a bad spin

Politics and poor usage twisting our tongue.

By Andrew Marlatt

If 10 differently-sized, monocultural waitrons were in a room and three walked out, would less or fewer remain? Half of writers and editors, if a recent survey is accurate, will answer the correct "fewer." Forty-one percent, however, will say "less,"—even though they know it is wrong. And most of them, if top language experts are correct, are probably still wondering what a "differently-sized, monocultural waitron" is.

What we have here, aside from a failure to communicate well, are the two great challenges facing writers and editors today: political correctness and grammar. Most politically correct terms may never make it, but grammar, laments syndicated columnist James J. Kilpatrick, "is a dying art. It's almost gone."

The "less" versus "fewer" question was posed in a survey of writers and editors by Washington, D.C.-based "Writing Concepts" newsletter. In it, three-fourths of respondents also confessed they would employ the commonly used, but incorrect, "It's me" instead of "It's I" in writing. To some in the business, that is disgusting.

"Oh, I don't believe it!" booms Kilpatrick. "Show me a respectable writer who says, 'It's me.' I want to see the quote."

Whether you call it usage evolution or poor writing, such changes are showing up in magazines and newspapers across the country, says syndicated language columnist Jeffrey

(CONTINUED ON NEXT PAGE)

John Leo's P(olitically) C(orrect) Pet Peeves

It's hard work being PC. For one thing, it means learning a whole new vocabulary. John Leo, contributing editor at *U.S. News & World Report*, syndicated columnist, and observer of our native tongue, cites here his least favorite neologisms of the PC set.

Ableism. Bias against the physically challenged and differently abled. Stairs are an example of Ableist architecture. "Blind to the truth" is Ableist language.

Adultism. The oppression of imposed standards and values from the adult world upon sub-adults.

Handism. Oppression of left-handed persons by the right-handed majority.

Sizeism. Prejudice against the differently sized. "Articles on dieting and overeating are biased and impede growth of the size-acceptance movement."

English

(CONTINUED FROM PREVIOUS PAGE)

McQuain. The phrase "between you and I" is everywhere, he says, and is wrong every time. McQuain, who researches William Safire's "On Language" column for *The New York Times*, has also noticed a trend of written redundancies such as "end result" and "final conclusion."

Kilpatrick adds he has "about given up on 'who' and 'whom.' It's lost. When they write it, they almost always get it wrong." Kilpatrick also keeps a running list of new uses for words. Among those he dislikes: **Impacted*—"I would never use that and I don't know any respectable writer who would," though, "I've seen it used by illiterate ignoramuses," he says. **Interpersonal*—"If that ain't a crappy word."

"Grammar is a dying art," Kilpatrick says.

When do the guardians of language give in to common usage? Says McQuain: "I think it is incumbent upon writers to enforce the rules of grammar, not to simply . . . wait, I'm about to split an infinitive . . . OK, not simply to give in."

"I hold the line as long as I can," pledges Carolyn Mulford, managing editor of "Writing Concepts," who then quoted a survey respondent writing about "less" and "fewer": "I don't like it, but this has become so common that I have to accept it."

They won't be worn down

Says Kilpatrick: "The bastards wear you down after a while."

These writers, however, say they won't be worn down by the politically correct, or PC, onslaught. While "African-American" has quickly won general acceptance, terms such as "physically challenged" are "complete nonsense," says Jack Cappon, managing editor of the Associated Press. "Almost invariably, you'll find the euphemisms are more long-winded and more abstract—and as they are used more, the language gets less and less muscular."

Old Yeller goes PC

John Leo, syndicated columnist and contributing editor at *U.S. News & World Report*, calls the increase of "-challenged" and "-sized" words "bullshit," and has concocted a few terms of his own in retaliation. One is "Homeism," which he defines as "oppression of the homeless by the nonvagrant homed." Leo has also translated famous books and movies into PC-speak. Among them: "Old Yeller—Senior Animal Companion of Color," and "Snow White and the Seven Dwarfs—One of the Monocultural Oppressed Womyn Confronts the Vertically Challenged."

McQuain believes PC terms will die under their own weight. "We are a sound-bite culture," he observes. "We try to shorten things rather than lengthen them."

But the PC push has already taken a gender-neutrality toll on the language. "Everyone uses their mind" has become a common, if incorrect, replacement for "Everyone uses his or her mind," McQuain notes. Then there is "chair," the replacement for "chairman" and "chairwoman," he adds.

A differently-sized, monocultural waitron, by the way, is an overweight, white waiter or waitress. And that, more or fewer, is the final ending conclusion. ■

Advertisers detail spending plans

(CONTINUED FROM PREVIOUS PAGE)

compared with the same period last year, says Paul Mulcahy, vice president of marketing. "Magazines have helped us develop interest among consumers for new products."

CPC International, a food marketer that sells recipe ingredient products, will spend more than 15 percent in women's and epicurean titles.

Toiletries/Cosmetics. Magazines delivering to audiences who are receptive to skin creams, lotions and oils will profit as the population ages and becomes more health-conscious, Guthrie says. Bristol-Myers Squibb's consumer products division will slightly increase the magazine portion of its media budget, says Peter Spengler, vice president of marketing services.

Beer/Wine. Anheuser-Busch executives also want value-added programs, especially those that tie together broadcast, print and retailers, says Tony Ponturo, vice president of corporate media/sports marketing.

Apparel/Footwear/Accessories. In the same period of 1991, declining retail sales of apparel, footwear and accessories forced related ad spending down 5 percent. Guthrie says he doesn't expect the category to rebound until the economy does.

Levi Strauss & Co. is an exception, though, increasing advertising this year in the contemporary, cutting-edge titles preferred by fashion-forward readers, says Bradford Williams, marketing specialist.

Tobacco. Cigarette companies continued to shift dollars from magazines into promotion in 1991, and Guthrie says he expects the trend to continue. A recent press report stated that R.J. Reynolds Tobacco Co. will follow the industry trend. ■

AD SPENDING PLANS: A '92 SAMPLER

ADVERTISER	JAN.-NOV. '91 DOLLARS*	OUTLOOK FOR 1992
Anheuser-Busch	$18.5	Expects moderate increase in spending.
Bristol-Myers Squibb	$32.2	In consumer unit, print media budget to grow.
Campbell Soup Co.	$17.6	Magazine spending for 8/91-7/92 is up by $13 million.
CPC International	$3.6	Expects to spend at least 15 percent more on advertising.
Canon USA, Inc.	$21.7	Spending will decline approximately 20 percent.
Levi Strauss & Co.	$ 6.1	Seeking cutting edge, contemporary titles.
R.J. Reynolds Tobacco Co.	N/A	Media buying will be done quarterly instead of annually.
Toyota Motor Corp.	$98	Seeking healthy magazines with loyal readers.
Xerox Corp.	$2.7	Plans heavy spending in trades, consumer ad hikes.

Sources: Leading National Advertisers; individual company executives. *** In millions of dollars**

Magazines will retain their share of the ad market, MPA predicts.

Surviving without advertising

By Samir Husni

Most media experts question the wisdom of getting involved with start-ups in the current recession. Few, however, have asked, "Can new magazines survive without advertising?"

Marcia Theodoredis, publisher of Rodale Press's recently introduced magazine for teens, *Straight Talk*, insists that circulation-driven magazines are a practical reality and not just a passing fad. She points out that although *Straight Talk* will accept ads in future issues, the magazine "has been positioned and priced so it will survive without advertising."

Roy Reiman, president of Reiman Publications, is another believer in the circulation-driven model. He has been publishing ad-free magazines for the last 22 years. His *Country*, with a 1.7 million circulation, was launched 1987. Reiman claims it's still growing at the rate of 20,000 new subscribers per month.

Do circulation-funded magazines represent a new trend? Not really. There are already a healthy number of ad-free magazines. All have at least one of three characteristics that allow them to exist without ad revenue.

1. Specialized audience Kids' titles like *Highlights for Children* and *Ladybug* provide what they characterize as a better environment for children because they are ad-free. Academic and highly technical journals that play to devout audiences by delivering information that can be found nowhere else are other examples.

2. Added value Magazines perceived as an information-packed bargain can survive ad-free. Almost all the needlework and house plan titles fall into this area. They pack more plans and projects into one issue at a lower price than would have to be paid for a single plan or pattern, if purchased separately. *CrossStitch* and *Fantasy Crochet* are examples.

3. Advocacy-oriented/satirical editorial Some magazines' satirical or advocacy positions work against ad sales efforts; and trying to accommodate advertisers would alienate readers. *Mad*, *Ms.* and *Consumer Reports*, while worlds apart in content, have built their reputations on uncompromised objectivity.

A surprising 105 ad-free titles were published in the last four years, (out of a total of 1,199 titles started with the intention of publishing four issues or more a year). From those 105 magazines, 42 were still being published in the last quarter of 1991. That is a survival rate of four out of 10—a better survival rate than that of all new magazines, which was three out of 10 for the same time period. ■

Ad-free consumer magazines 1987-1990

Categories	Total magazines introduced	Categories	Total magazines introduced
Automotive	2	Media & personalities	11
Business & finance	1	Military	1
Children's	5	Music	5
Comics	8	Photography	1
Computers	1	Political	2
Crafts	2	Puzzles	18
Dressmaking	8	Sex	16
Electronics	1	Sports	1
Epicurean	1	Videos & movies	1
Gay	5	Women's	2
Health	1	Women's fashion	4
Lifestyle	4	Youth	2
Literary	2	**Total**	105

Samir Husni is head of the Magazine Service Journalism Program at the University of Mississippi and editor of Samir Husni's Guide to New Consumer Magazines, *published by* FOLIO:.

How some publishers are maintaining or increasing profit margins while ad revenue declines

Because the business of the business of publishing is shifting from a single-minded focus on advertising revenue to a more balanced approach, where an increasing portion of a publication's revenue is derived from the reader, publishers are turning to better management of their most valued asset – the subscriber database.

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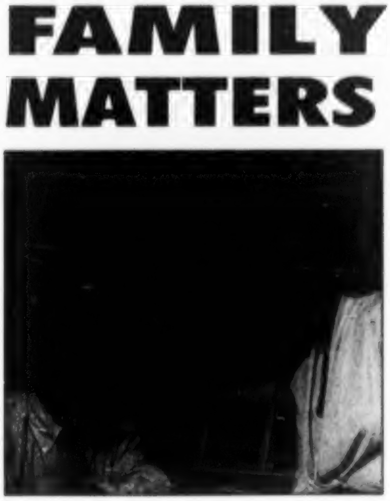
TECHNOPHOBIA: MANAGING PRODUCTION CHANGE

Planning a technology overhaul? Unless you prepare in advance to handle staff reactions to this highly stressful event, you may suddenly find yourself in a zoo-like arena dealing with staffers who behave like outraged pit bulls or head-in-the-sand ostriches. Here are several proven strategies for avoiding a systematic breakdown. **68**

FAMILY MATTERS



Parents' Elizabeth Crow and John Hahn are working to fend off challenges to the venerable title's authority from up-and-coming magazines that are vying to become the new family experts. **45**

WHAT'S HOT IN CONTROLLED-CIRC MARKETING

In the face of slumping advertising sales, more and more business publishers are eyeing circulation as a critically important source of revenue. FOLIO: surveyed 100 top trade circulation executives across the nation for our in-depth Special Report that uncovers and analyzes the latest—and hottest—trends in controlled-circulation marketing. **73**

ASSOCIATION PUBLISHING

Forget the recession. Association magazines are on the move with powerful strategies for building profits and expanding reach in the nineties. 78

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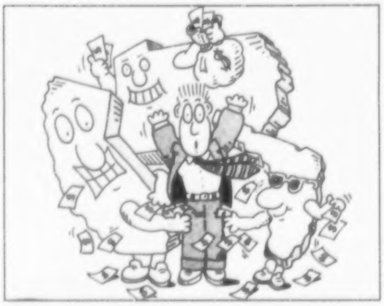
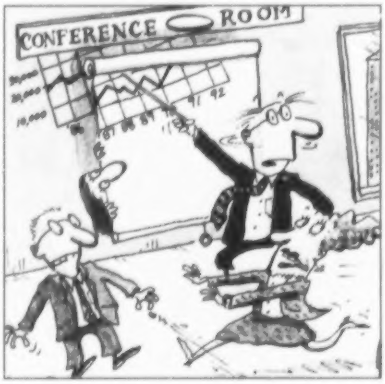


Taxing issues **85**
If a Supreme Court case now being heard results in a change in the definition of nexus, publishers will be the ones to pay.

***Railway Age* on track** **48**
Publisher Arthur McGinnis Jr. (*right*) and publishing director Robert Lewis count the benefits of acquiring *Modern Railroads*.



Sales presentations **91**
Don't bore your prospects with data they already know. Instead, use the presentation time to solidify the selling relationship.

AN
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WHAT'S HAPPENING IN CONTROLLED-Circulation Marketing

By Jean Marie Angelo

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$

JULIE MCWILLIAMS

As advertising sales dry up for business publishers, the pursuit of new revenue streams intensifies. In this arid economy, circulation departments are coming under ever-increasing scrutiny as publishers search for new profit centers. Despite tight budgets, many publishers appear to be investing in their circulation departments: 45 percent of the 100 top circulation executives recently polled by FOLIO had more money to work with last year. The majority used their expanded budgets to increase the number of mailings and add to staff. Budgets held steady for 33 percent, but, according to our exclusive survey on marketing trends for controlled-circulation business titles, an unlucky 13 percent saw their budgets cut. The recession has also given rise to a group of business magazines pushing paid subscriptions and list rentals.

A closer look at free to paid

In fact, of all the issues covered by our survey of 100 trade magazine circulators, the topic of free-to-paid conversion generated the most interest. Turning loyal readers into paying customers has been a goal of many circulation executives since the recession hit. Although the promise of subscription revenue is enticing, making a conversion has been no easy task.

Trying to get some or all readers to pay for their subscriptions is certainly not a new idea, says Mike Marchesano, senior vice president, marketing, for Business Publications Audit of Circulation (BPA), New York City. "I think at least 50 percent of our members have tested it at some time."

The typical respondent

Circulation size: 22,200*

Total magazine revenue: $2.1 million**

Percentage using telemarketing: 34%

Percentage expanding into international markets: 44%

*Median figure based on 38 responses. Others surveyed did not answer the question.

**Median figure based on 23 survey responses.

Our exclusive survey takes an in-depth, trend-spotting look at what trade circulation executives are doing.

But the revenue-enhancing device is getting much play lately. The list of companies trying free-to-paid efforts reads like a *Who's Who* of the business press: Bill Communications, Miller Freeman, Intertec Publishing and Billboard Publications. Cahners Publishing in Newton, Massachusetts, is rumored to have one person dedicated solely to building paid circulation.

Is the quest for paid subscribers working? "I am not aware of anyone succeeding," says circulation consultant Elaine Tyson, head of Tyson Associates, Ridgefield, Connecticut. "Making the switch is very hard. It costs a lot of money and takes a long time," she adds. Publishers have to be clear about how tough they will be with those who don't pay up. If publishers are serious about dropping subscribers who won't send in a check, they must be certain that they can live without their readership.

Proceeding with caution

"We are tiptoeing into it," maintains Susan Sherwood, corporate circulation director of Billboard Publications Inc. (BPI), New York City, who notes that the company has some paid circulation on all its titles. She is currently attempting a conversion on *Shoot*, a two-year-old title for commercial cinematographers that has a circulation of 17,000. But she is not eager to try a major paid circulation promotion on all BPI's titles because of the expense involved and risk of losing readers.

"I used to think you could count on 10 percent response, but now the rate is more like 5 percent. It always amazes a publisher that there are 95 percent who won't go for it," says Sherwood. In

The list of companies trying free to paid reads like a *Who's Who* of the business press.

some cases, it is simply more important to guarantee that the magazine is reaching the right audience, she adds.

Miller Freeman Publications, San Francisco, started paid circulation tests in early 1991 on *Commercial Property News* and *Architectural Lighting*. "We would like to develop as much paid circulation as possible. I think this is based on the fact that this is a difficult economic period," says Jerry Okabe, corporate director of circulation.

At Intertec Publishing in Overland Park, Kansas, corporate circulation director Sandra Stewart increased the paid portion of *Transmission and Distribution* and *Grounds Maintenance* this year, pushing paid subscriptions to those who are not part of the qualified target group. The paid percentage of the entire circulation for these titles is 2 percent and 1.5 percent, respectively.

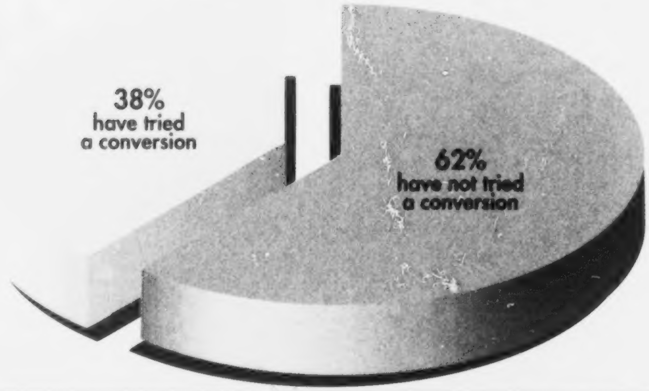
The company is also offsetting distribution costs by asking international subscribers to pay for postage and handling. The perk for doing so is quicker delivery, shaving the time from six weeks to one week, she notes.

Approximately 18 percent of FOLIO:'s survey respondents who have not done free-to-paid tests are at least using this same tactic to cope with rising postal costs to all subscribers. A smaller group, 5 percent, is simply asking their readers for donations.

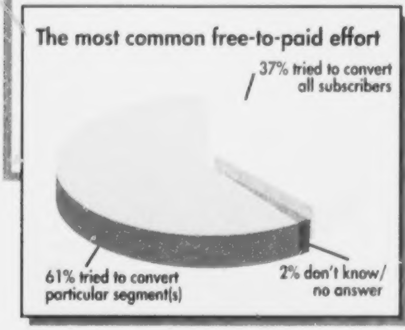
North American Publishing in Philadelphia held out the proverbial tin cup to the readers of *Target Marketing*, but has since discontinued the effort. The magazine asked 5,000 recently requalified readers for $25 each. "We just broke even because the copy emphasized that not giving would not affect the subscription," explains Ned Borowsky, president.

It is not only the large companies that are doing free-to-paid tests. Several years ago, Newton, Massachusetts-based

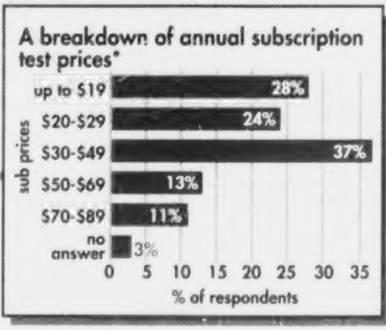
WHO'S ATTEMPTING A FREE-TO-PAID EFFORT?



As ad revenues sag, publishers are eyeing circulation as a source of revenue. During the past two years, almost 40 percent of business magazines have tried to convert some percentage of their readers into paying customers.

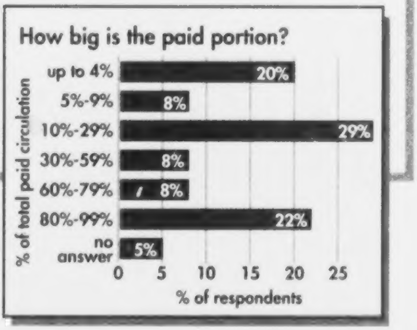

The most common free-to-paid effort

Most who have tried a free-to-paid effort have favored converting a portion of their subscriber files instead of trying to collect from the entire audience. Targeted segments are most often peripheral readers who can be dropped without hurting the integrity of the circulation file.


A breakdown of annual subscription test prices*

The largest segment of respondents who have tried a free-to-paid test have charged between $30 and $49 for an annual subscription. The median price is $32.

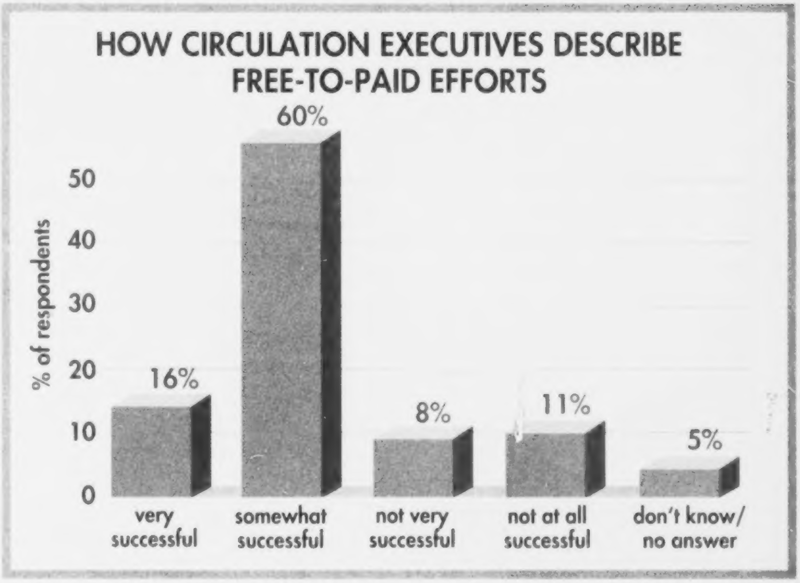
*More than 100% because of multiple prices tested


How big is the paid portion?

The data on the size of paid circulation files chart two trends: either magazines are converting a moderate portion of their rosters—less than 30 percent—or they are pushing to convert 80 percent or more of the file.

Larkin Publications began paid subscription promotions to the readers of *Musical Merchandise Review* and *Kids Fashions*, according to Elayne Selig, circulation manager. Subscription prices are $24 and $26, respectively, for the monthly magazines.

"We start the conversion three months prior to a reader's expiration date and keep sending the letter," Selig explains. It usually takes six mailings and perhaps some telemarketing to make the conversion. Although she will not reveal the cost per name to make a free-to-paid conversion, Selig insists the conversion effort is worth the expense. Those who do not pay for a subscription are kept on the mailing list, she adds.



Industry wisdom says that free-to-paid efforts can be difficult and expensive. This is perhaps why only 16 percent of those polled say their tries at converting were "very successful." The majority have been "somewhat successful."

Pitfalls aplenty

Top executives at Penton Publishing and CMP Publications are less enthusiastic about free-to-paid efforts. "I don't know if this is a key trend," says Bruce Sprague, Penton's director of circulation. "I know people are looking at it, but it is a concern because it is not certain that it will work. You could alienate your market and lose readers to a free competitor." And where the topnotch readers go, advertisers are sure to follow.

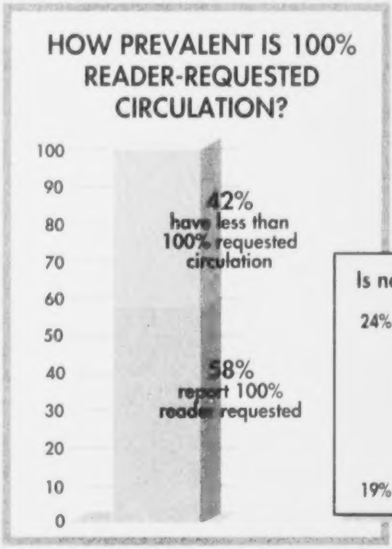
Michael Leeds, president of CMP, believes controlled circulation offers the best demographics on reader job responsibilities, decision-making power and company size. "In our competitive businesses we need all the information that we can get on subscribers. Losing control of readers in the business publishing arena leads to poorer readership."

Encouraging renewal rates

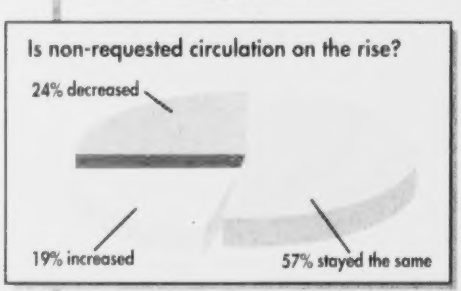
The difficulty in balancing revenue needs with quality readership may explain why only 16 percent of those who have tried a free-to-paid conversion categorize it as "very successful." Another 60 percent have been "somewhat successful," according to FOLIO:'s survey results. Still, experience suggests encouraging renewal rates for paid subscriptions. The median renewal rate for those who have tried a test is 73 percent. It is important to note, however, that 39 percent of those who have done a test could not report a renewal rate—most likely because these conversion efforts are in the early stages.

Respondents indicate there will be

> ‘It isn't certain that it will work. You could alienate your market and lose readers to a free competitor.’



Of those who do report non-requested circulation, almost 20 percent increased it last year. Most of the circulation professionals who reduced this type of circulation say they did so because these readers either did not respond to a paid-conversion effort or were simply no longer on the job because of business closings (*below*).



Circulation executives pressed to cut costs can always increase the percentage of non-requested circulation. The median non-requested portion of a circulation file is 28 percent, according to the circulation executives who mail to professionals who have not specifically asked for a subscription. These names are compiled from professional directories, trade association rosters and other sources (*above left*).

The most popular response device is reader service cards (76%). 37% of respondents use fax response and 21% offer an 800 number service direct to advertisers.*

*More than 100% because of multiple answers

more free-to-paid activity in the months ahead. Of those who have not yet tried some type of conversion during the past two years, 15 percent will be attempting a test this year. Of the 38 percent who have tried a test, 84 percent report they are continuing to build the paid portion of their files. Those abandoning the free-to-paid effort are doing so primarily because the costs to convert were higher than the revenue gained.

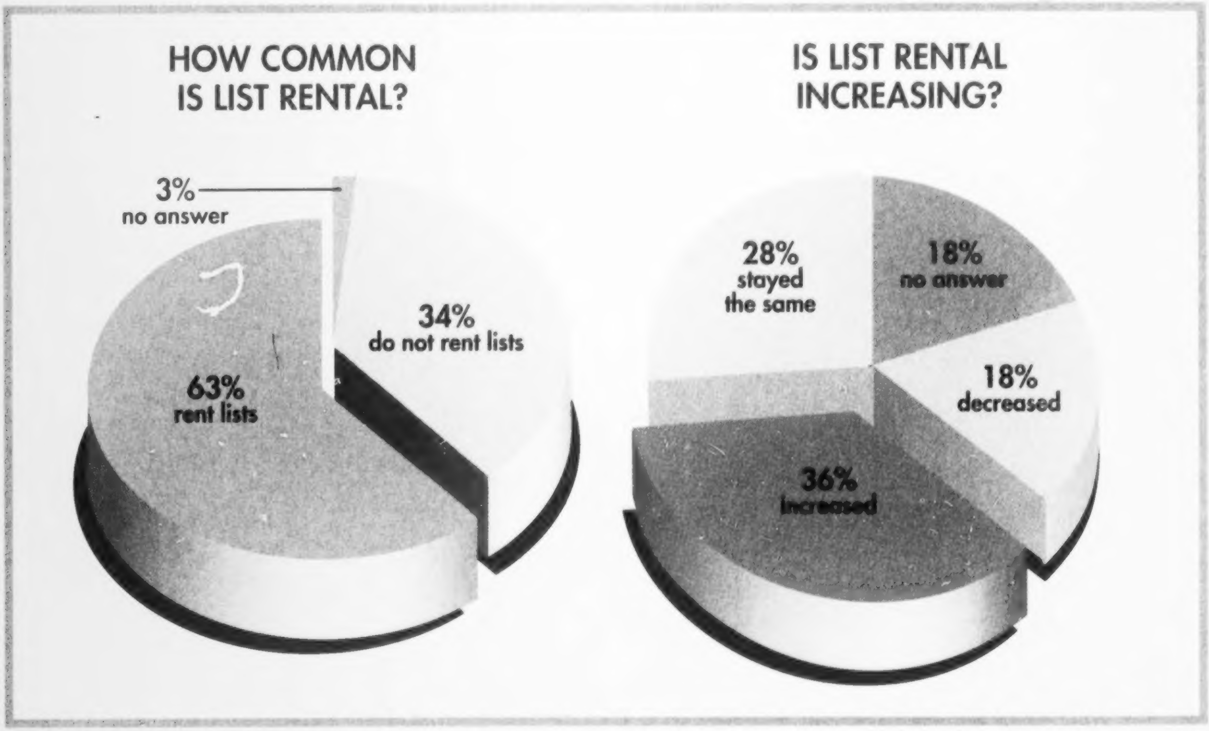
Building a case

As free-to-paid efforts continue, the business magazine community will at least be able to collect more evidence of the strategy's success or failure. The trend may create a new type of magazine, the semi-paid title, says Carole Ireland, a consultant and head of Quality Circulation Services, Mamaroneck, New York. Companies such as Miller Freeman already have titles with high percentages of paid and nonpaid subscribers.

If publishers are at all successful in gaining paid readership, it is a sure bet they will go to great lengths to hang on to those who pay up. Says Ireland: "Publishers hate to lose revenue once they've seen it." ■

Methodology

Research USA, Inc., Chicago, conducted telephone research for FOLIO: on December 19 and 20, 1991. Two hundred sixty-seven top circulation executives throughout the United States were contacted on a random, nth-name basis to yield 100 completed questionnaires. Respondents were asked to answer questions specifically for the magazine that is their primary responsibility. If they were responsible for more than one title, participants were asked for data relating to the magazine with the largest circulation file. Their answers reflect trends observed during 1991, unless otherwise indicated.



The majority of circulation executives rent their subscription lists, and of these, 84 percent say rentals add to the bottom line. The 36 percent who have increased list rentals cite aggressive marketing as the number-one reason for their gains. Approximately 9 percent of our respondents report that they first started marketing their lists in 1991. The 18 percent who say list rentals are down bemoan the fact that more lists are now on the market and also complain that increased postal rates and a sluggish economy have reduced the number of direct mailings.

Apr. 1, 1992 Not Filmed

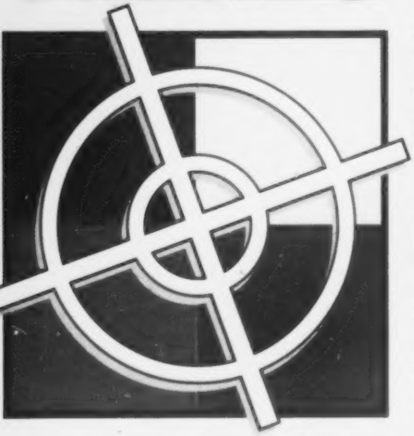
C2575-1

Great design on the cheap . . . page 87

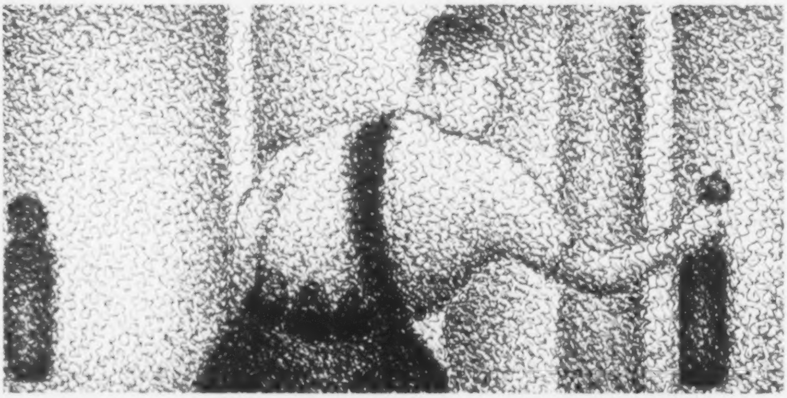
Folio:

MAY 1, 1992 THE MAGAZINE FOR MAGAZINE MANAGEMENT $6.50

1992 PRINTING AND DISTRIBUTION TRENDS



A FOLIO: exclusive: Production executives tell you what's happening with budgets, contract negotiation, paper, printing, price breaks and more. Before you lock yourself in, learn how your peers are handling the choices available in today's market. **74**



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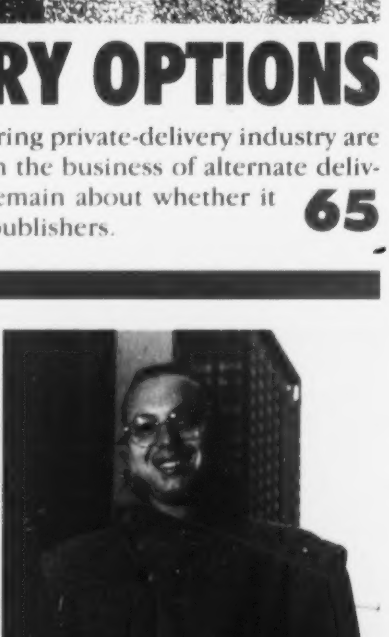

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Common-sense renewal promotion **92**
Five basic principles that will minimize risk and enhance promotion response.

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From greed to need

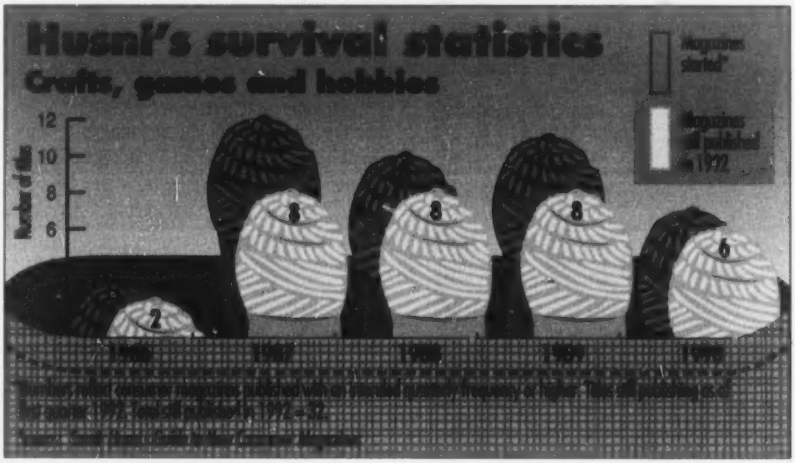
By Samir Husni

In 1984, at the beginning of the free-spending Reaganomics era, *Wood* was launched for readers who would rather construct a kitchen cabinet themselves than hire a high-priced contractor. Speaking about the craft, hobby and game sector, *Wood* editor Larry Clayton notes, "The market was huge, but the number of publications were few." But soon other publishers discovered that beneath the consumer rush to spend lavishly on durable goods—which buoyed the special-interest title in the 1980s—was another audience more interested in the products of their own labor.

Douglas L. Hicks, editorial director of *Woodsmith* and *ShopNotes* sees the market as being ideally positioned for the nineties. "These magazines are addressing the needs of people who are making their own way in the world," he says.

And recently, Time Warner has agreed to spend a reported $100 million to acquire Little Rock, Arkansas-based Leisure Arts (which publishes four craft titles) to add into its Southern Progress Oxmoor House unit (which publishes two craft titles).

If the motto of the 1980s, coined by Michael Douglas' character Gordon Gecko in "Wall Street" was "Greed is good," then the motto of the nineties, as reflected in the spectacular growth of practical down-home titles is "Need is better." ■



*Numbers reflect consumer magazines published with an intended quarterly frequency or higher. Titles still publishing as of first quarter 1992. Total still published in 1992 = 32.

Source: *Samir Husni's Guide to New Consumer Magazines*

Samir Husni heads the Magazine Service Journalism Program at the U. of Mississippi and is editor of Samir Husni's Guide to New Consumer Magazines *published by* FOLIO:.

JULIE MCWILLIAMS

SINHALA NEW YEAR
(SRI LANKA)

April in Sri Lanka is filled with festivals and holidays. The Sinhala New Year is a day of celebration, but for the Post Office it's one of many days of rest this month.

RAMADAN
(SAUDI ARABIA)

During Ramadan, a month-long observance, Muslims abstain from food, drink, smoking, sex and even perfume. Suffice to say that postal service is equally joyless.

SUMMER HOLIDAY
(FRANCE)

During the month of August, virtually everyone in France is on vacation. Although post offices do remain open, their skeleton crews are no match for the country's mail.

PDS SUPPORTS THE RESPONSIBLE USE OF THE EARTH'S LIMITED RESOURCES

ALTERNATE CURRENTS

BY STEPHEN BARR

Private delivery of magazines has had an uneven history. The concept of an entity that would offer pricing and service alternatives to the Postal Service has intrigued publishers since the 1971 Postal Reorganization Act made periodic second- and third-class rate increases inevitable. A number of companies have appeared on the scene to compete with the Postal Service over the past 21 years, but whenever postal rates stabilized, magazine interest in alternate delivery waned—and the profitability of the delivery companies withered away.

When rates for second-class mail went up an average of 22 percent in February 1991, after an 18 percent jump just three years earlier, few were surprised to discover that the private delivery business was ascendant again.

"It's very scary what's been happening with postal rate increases," says Jack Widener, director of distribution for *Newsweek*, which began using private delivery in February for the first time since the mid-1980s. "We can't afford not to take a fresh look at alternate delivery."

But this time, even with USPS assurances that the next rate hike won't come before 1994, the interest seems to be more than a wedge for lobbying against future increases. "Publishers have to be prepared to do business in different ways," Widener says. "We're in alternate delivery, so we understand how it works."

Industry experts agree that private delivery is here to stay, although their estimates of its potential market range from $800 million to $5 billion. "I don't see anything on the horizon that's going to deter the growth of this business," says Stephen Thompson, publisher of "Optimum Delivery," an industry newsletter. "What put the industry under in the past were [USPS] changes in weight allowances and rates that made private delivery uneconomical. I don't see the Postal Service doing anything today except increasing rates."

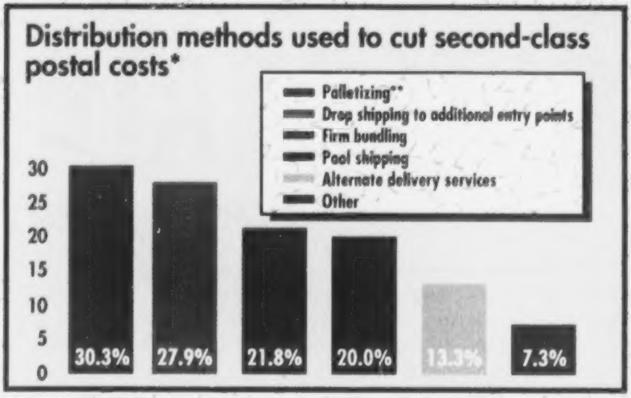
Calling private delivery a "threat" to one-quarter of the total mail stream, Associate Postmaster General Kenneth J. Hunter insists that the Postal Service will not give up delivering magazines without a struggle. "We regard private delivery as a serious, revitalized form of competition," he says. "I don't have any easy and quick answers, but I think we have the ability to push it back into its niches and keep consumer publications in the mail. It's a tough one.

AFTER A SLOW START, ALTERNATE DELIVERY IS GAINING CREDIBILITY. BUT QUESTIONS STILL REMAIN.

DAVE RIDLEY

WHAT'S THE ALTERNATIVE?

Despite USPS assurances that the next postal rate hike won't hit before 1994, smart publishers are already taking a harder look at alternate delivery. FOLIO: surveyed 165 top magazine production executives to determine how much, and for what purposes, alternate delivery is being used.


Distribution methods used to cut second-class postal costs*

Although an average of 13 percent of all respondents report using alternate delivery, three times as many consumer magazines as business publications indicate that they're using private delivery.

Source: Research USA, Inc., Chicago

* Totals more than 100 percent because of multiple responses
**To qualify for postal sortation discounts

Delivery history is being made."

At the center of the emerging private delivery industry are Alternate Postal Delivery (APD) and Publishers Express (PE), fierce rivals competing to build their own national networks of locally owned delivery companies. Both are scrambling to recruit local newspapers for delivery operations in designated markets. The two companies then act as middlemen—setting delivery standards, offering centralized data processing and customer service, and charging magazine publishers and direct marketers about 15 percent less than postal rates.

APD, which met its goal of operating in 30 markets by the end of last year, has maintained its industry lead, adding five newspapers to its network in January alone. "We're going to explode in 1992," says APD chairman Stan Henry, who is personally bankrolling the expansion. "We're over the hump, and all the things we said were going to happen are happening now."

LOCAL COMPANIES ARE LEARNING HOW TO MAKE THE PROGRAM PROFITABLE.

PE has proven itself an equal in hyping its activities, although it continues to trail APD in the number of markets it serves, with 12 on board early this year. The company, which is backed by nine media conglomerates led by Time Warner, had been perfecting a high-tech delivery system in Atlanta for two years. But after it began rolling out nationally at the beginning of 1991, the company dropped plans to set up subsidiaries nationwide, which was considered far more costly than contracting delivery to local newspaper carriers.

"Right now, the outlook is very bright," says James O'Brien, PE's chief executive officer. "Mailers have been flocking to alternate delivery. The increase in interest has been phenomenal. We are still growing."

Beyond the flurry of press releases about market growth, the two competitors have become more and more alike when it comes to working with magazine publishers. "We have every copy we can in both systems and plan to expand as fast as they can," says Diane Potter, vice president of circulation for Times Mirror Magazines. "Both companies are running smoothly."

Even so, Thompson contends that the private delivery industry is still in its infancy, having only recently shifted from an emphasis on sales and marketing to nuts-and-bolts operational concerns. Despite publishers' apparent commitment to private delivery, its long-term success is very much dependent on the viability of hundreds of local delivery companies nationwide. Only in the past year have the local delivery companies begun to learn how to make the program work—and be profitable.

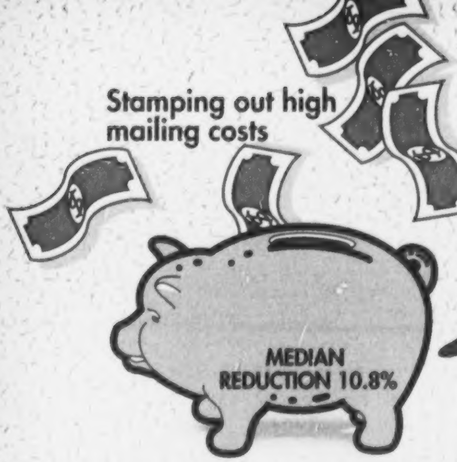
"What you have are 400 to 500 startups nationwide," Thompson explains. "This is a deceptively simple business, and I see people doing things that are too expensive or too complex. I will be shocked if we don't see attrition. Some will pull out and some will fail." Last November, for example, publishers of 24 monthly titles had to re-label their magazines and put them in the postal system after a local delivery company in Buffalo dropped out because of a dispute about how frequently its carriers made deliveries.

The question of delivery frequency could be an important one in the coming year, since PE builds its system primarily on weekly publications and APD emphasizes monthlies. "The frequency issue has an effect on PE's costs and raises the question of the profitability of the delivery companies," says Bob Inhofe, a former director of distribution at Meredith Corporation, whom some have called "the godfather" of private delivery. He worries that monthly magazines are paying for more costly service than they require, and are essentially subsidizing time-sensitive publications that do demand such service.

Developing uniform standards

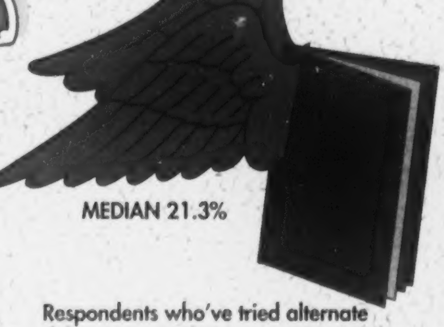
The simple idea of home delivery is complicated by—but not yet hampered by—a lack of standards. Each network-builder continues to use different coding and labeling systems, with APD opting for detached cards that are tossed into the delivery bags,

Stamping out high mailing costs



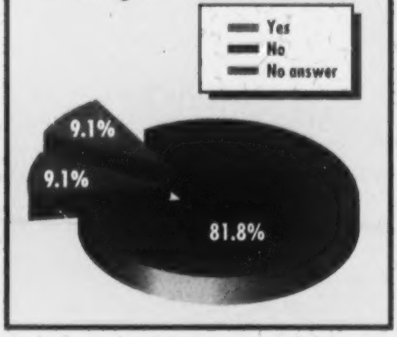
Those who currently use alternate delivery experience about an 11 percent reduction in their annual second-class mailing costs.

Delivering the goods



Respondents who've tried alternate delivery report that an average (median) of 21.3 percent of subscriptions are sent via private channels.

Boosting ad revenue



Ride-along supplements and fliers have not proved attractive as an ad-revenue booster, although the methodology for value-added marketing with alternate delivery is still being developed.

and PE labeling each piece for its specific household. Both systems are designed to have minimal impact on current fulfillment operations. Over the past 18 months, for instance, most major fulfillment houses have adopted the labeling software necessary to divert subscriber copies from the mail-sort and place them in the delivery sequence for either network.

More markets opening up

Initiating the process can take a few weeks, says Dave Peterson, a vice president with Worlco Data Systems, a Valley Forge, Pennsylvania-based fulfillment house, but "it's easy to turn on another city" as additional markets open up and more pieces are taken out of the mail.

With more markets opening up, APD has begun to develop what it calls a "hub" system. By clustering distribution to affiliates that operate in the same state or region, says Phil Miller, APD's president, it will be possible "to make transportation more efficient and cheaper" and pass on further savings to publishers.

Although private delivery is viewed primarily as a pricing alternative, it can also offer publishers more timely and higher quality service than the USPS. With APD and PE, it is possible to monitor performance through monthly reports on when magazines arrive at the delivery company and when they reach the homes.

"We get faster, more consistent delivery," says Dan Lawrence, a distribution analyst with K-III Magazines, which has about 5 percent of its total monthly volume in alternate delivery. "With the post office, you don't have any control—and the speed of delivery can fluctuate up to a week."

Private delivery contracts with magazines allow for no more than one complaint per 1,000 copies delivered. Publishers report that not only is the standard being met, but the chief complaint has little to do with the quality of delivery. Because federal law prohibits private companies from placing magazines in the mailbox, they are delivered in plastic bags to the door or sometimes tossed on the ground. "Some object in principle, and others worry about bags left on the front lawn," says Diane Potter of Times Mirror, "but the volume of complaints is insignificant."

'WE CAN DO WHAT THE POSTMAN CAN'T, AND THAT'S SELL MORE ADS.'

Newsletter publisher Stephen Thompson, who has also consulted on delivery operations in several cities, says that a 50,000-household system operating in Dallas since last September received requests from only 55 people asking for mailbox delivery. "That's peanuts," he says.

Value-added marketing

While there have been rumblings among private delivery companies about seeking access to the mailbox, many industry experts believe this prohibition can be turned into an advantage for publishers, catalogers and others now turning to alternative systems. The reason: Private delivery also offers marketing opportunities that would be impossible or cost-prohibitive through the USPS. By removing these advertising pieces from the bulk of the mail stream, the argument goes, they get more notice.

"The big issue now is value-added programs," says Stan Henry of APD. "We can do with a private delivery system what the postman can't do, and that's sell more ads."

Until now, this has generally meant that a delivery company is able to sell local advertising based on the demographics of the magazines it delivers—a flier for a sporting goods store, for example, goes only to households that receive sports-oriented publications. These ads are sold by the local delivery company either against groups of magazines (men's and women's are the most typical groupings) or against specific titles.

Publishers receive no compensation for this form of "list rental," and both APD and PE are reluctant to let them tap into this revenue stream since it incentivizes the local delivery services. Rather than nickel-and-dime the delivery companies for a share of this revenue, they say, magazine publishers themselves should take advantage of this channel for new marketing opportunities that go beyond the printed page in a magazine.

"We're really concerned about extending our advertising messages," says Jerry Kaplan, publisher of *Better Homes and Gardens*, which delivers about 5 percent of its 7.4 million subscriber copies through private delivery. "Any time you talk about helping advertisers sell more, you get their attention."

Cents-off coupons, recipe booklets, new product samples and even a ticket offer for a sporting event sponsored by an advertiser have been delivered with Meredith Corporation's *Better Homes and Gardens*, working with packaged goods manufacturers, says Barbara Cops, the magazine's senior merchandising specialist. The number of pieces for each ride-along program has ranged from 1,000 to about 25,000, with the magazine negotiating a per-piece fee through APD and PE. "None [of the programs] has been so large that we weren't able to absorb the added costs," Cops says. "Otherwise, we would rebill the advertiser at cost."

'THE BIG ISSUE NOW IS VALUE-ADDED PROGRAMS.'

"A lot of marketing will tie into magazines and a lot of it will be completely apart from magazines," Inhofe says, adding that he believes there are greater marketing opportunities with monthlies because they generally have a more targeted readership and there's more time to sell against specific titles. "I think value-added marketing is absolutely vital to the future of private delivery."

Business-to-business

While APD and PE have become "household names" in the private delivery industry, at least three other companies are taking a stab at networks for trade publications.

The most extensive is National Delivery Service (NDS), a Dow Jones subsidiary based in Chicopee, Massachusetts, that for over 15 years has delivered *The Wall Street Journal* in more than 200 markets every business day. NDS currently handles 14 non-Dow Jones publications.

The other two companies with a national reach are Washington, D.C.-based National News Service (NNS), which delivers primarily newsletters originating in the nation's capital area, and New York-based Nationwide Alternate Delivery Alliance (NADA), a group of distributors in 53 major markets.

Officials of all three concede that their prices may not beat the USPS, yet they stress that for trade publications, timeliness and service reliability are more significant concerns. "I'm not cheaper than the Post Office, but what we deliver is time-sensitive material," says Stephen Schuster, director of NNS. "If it's not there on time the material becomes dry and doesn't have the same meaning to the subscriber."

NNS might charge anywhere between 15 cents and $1 per piece for newsletters, Schuster says, but because these publishers typically have high sub rates, they don't balk.

Mitchell Newman, an officer with NADA, also boasts of greater flexibility in particular markets. In late 1990, for instance, NADA began delivering *Variety* in New York and California by 7AM Sunday morning, a day before the publication hit the newsstands. "It's an enhancement for our key subscribers," says *Variety* distribution manager Bill Cunningham. Top film industry executives located in those markets now have a full day to digest the magazine before it's widely available via the USPS.

Of the three business-to-business operations, only NDS has been pushing the idea of marketing tie-ins. Last year, in conjunction with an ad for *Rolling Stone* that ran in *Advertising Age*, NDS also delivered a 45 RPM and a compact disc to New York subscribers. "The first thing everybody wants to talk about is price," says Michael Marvaso, national circulation manager for Dow Jones, "but I think we're seeing now a more serious approach to matching service with publisher needs."

Stephen Thompson of "Optimum Delivery" says that NDS is the "most credible" of the business networks because of its size (it goes to nearly 900,000 homes and businesses), its affiliation with Dow Jones, and its longevity in the private delivery business. NNS is a much more limited network—with only about 40 percent of its 50,000 pieces that are delivered daily going outside Washington—but Thompson praises its frankness about its operation.

He is more critical of NADA. Thompson claims he once phoned the magazines that were said to be delivered nationally and found out that they were delivered only in New York. NADA's Newman counters that while the bulk of the 100,000 pieces he delivers weekly are to New York addresses, he has the capability to distribute nationwide.

"Clearly, you have to determine if any of the three have the capabilities you need," Thompson says. "It's important to get a list of customers and confirm that they are satisfied."

The coming year

In order to fend off the challenge of private delivery, Associate Postmaster General Ken Hunter points to rate incentives for pre-sorting and the creation of task forces with mailers that will make the USPS "more responsive to customer needs." He also argues that new barcode reading technology for flats, which should be online later this year, will lead to further discounts. And beyond a price war, he says, the other critical front involves convincing USPS employees that "the best way to beat it is with service."

Industry experts say they are not rooting for the USPS to fail at controlling its costs, but Inhofe worries that if the USPS is successful, it could again doom private delivery. He cites testimony by Time Inc. Magazine Co.'s president Reg Brack, who told the Postal Rate Commission that if the USPS keeps future rate filings in line with inflation, "then yes, we probably would discontinue [Publishers Express], because there would no longer need to be a reason for it."

"If Reg Brack had said that no matter what the Post Office does, we're in private delivery to stay, then I would say [the industry] is over the hump," Inhofe says. "But he gave the game away: If you guys can control costs, we'll get out of it."

While for some publishers and others who are part of the Publishers Express network that's disturbing to hear, for Stan Henry at competitor APD, it's sweet music. But it would appear that before the publishing industry can join the chorus of support for alternate delivery, everybody has to be singing the same tune. ■

1992 Printing and Distribution Trends

Assertive publishers cut new deals with printers and paper suppliers.

By Jean Marie Angelo

In this time of marginal ad sales and rising postal rates, publishers can use any type of break they can get. Luckily for them, 1992 is the year of reduced printing and paper expenses, according to FOLIO:'s latest survey of consumer and trade production executives.

Of the production execs surveyed who had printing contracts up for renewal in 1991 or in the early part of 1992, more than half say their printers either cut their prices or maintained current rates. Another 30 percent of those who did not face contract renewals nevertheless attempted to renegotiate printing costs; most were successful in doing so.

The statistics beg the question: If so many of those who have bothered to renegotiate have been successful, why aren't more publishers doing it? Indeed, about 70 percent who did not have contracts up for renewal apparently did not approach their printers, according to our exclusive survey.

This isolated fact can distort the total picture, explains Steve Frye, a consultant on production issues. "Printers are scared to have their clients out looking for bids," he explains. Some suppliers are approaching clients well in advance of expiration dates to offer cuts that take effect six to nine months before a contract is even up for renewal.

All printers are feeling the pressure to keep their presses rolling. Because of computerized technology and the advent of the mini-web press, larger printers, who once shunned runs of 500,000 or less, can now take smaller runs. These firms are either adding equipment to handle the spate of smaller circulation, special-interest, niche and trade titles, or are buying divisions that already serve these clients.

The fierce competition for customers has left printers most eager to be good business partners. In addition to offering price breaks, most are learning they must also design competitive distribution plans to help publishers save on postage.

"Any production person is getting two or three calls a day from printers trying to sell something. The more capacity printers have, the more their salespeople are out drumming up new business," says Michael Arpino, director of production for Cahners' consumer entertainment division, New York City.

How much a publisher can save on printing costs obviously depends on page volume and how well he or she can negotiate. During this year of idling presses, some publishers have seen reductions of 10 percent or higher, says Frye.

Southam Business Communications, Inc., USA, Indianapolis, publisher of trucking magazines, convinced its printer to reduce an annual 5 percent price increase to only 3 percent. The trade publisher did agree to pay more for some of the pre-press services, however, but still walked away with "sizable savings" on the printing bill for all of its titles, says Dallas Nauert, director of production and printing.

Cost-cutting on the home front

Don't forget to get your own house in order, intones Jerry D'Elia, vice president of printing and transportation for Hearst Magazines Division, New York City. Before approaching a vendor for savings, publishers should examine what they can do to create savings without jeopardizing readership or ad sales. Hearst has adjusted four-color use, tints and paper grades. "Does the reader really see these things?" he asks rhetorically. D'Elia likens the production standard to an octane rating.

"If my consumer is content with an 89 rating, why pump 91 into the product?" he asks. For Hearst, dropping the octane level translated into eliminating cover coatings on *Country Living*, *House Beautiful* and at times on *Good Housekeeping*.

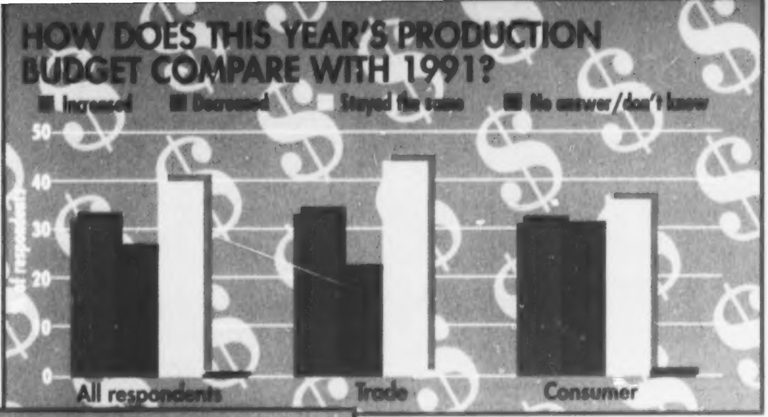
D'Elia is not alone. This year's FOLIO: survey finds almost 50 percent of publishers using a cover coating, with the most popular being the UV-cured coating; last year's survey showed that 62 percent were using some type of coating.

Paper also came under scrutiny this year. At The Taunton Press in Newtown, Connecticut, unit costs were kept even with last year by reducing trim sizes on *Fine Gardening* and *Threads* and switching from 55-lb. to 50-lb. text stock, notes Kathy Davis, director of manufacturing.

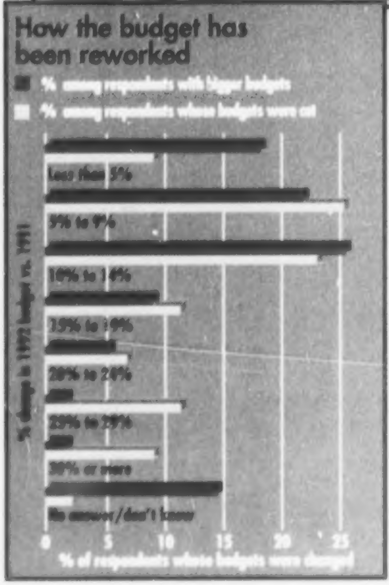
But,while 1992 is the year to rene-

Methodology

Research USA, Inc., Chicago, conducted telephone research for FOLIO: from February 12 to 18, 1992. A total of 269 production executives throughout the United States were contacted on a random, nth-name basis to yield 165 completed questionnaires. Eighty-three of the respondents work for trade magazine publishers; 82 for consumer publications. Each respondent was asked for data pertaining to the magazine that is his or her primary responsibility. Executives responsible for more than one title based answers on the magazine with the largest pressrun.



◀ Although most production execs are working with the same budget as last year, almost one-third have more financial resources available. Just 26.1% had budgets cut. A larger number of consumer magazine executives than trade title execs are tightening their belts. FOLIO: interviews indicate increased budgets resulted from decisions to improve paper grades, four-color and other enhancements.



◀ Of all respondents, those with bigger production budgets are spending about 10.4% more on printing, paper, four-color, new equipment and other resources. While now is a good time to save on printing and paper costs, some respondents are adding more four-color or even a fifth color. Some with extra money in the paper budget may be buying heavier papers or testing recycled grades, which sell for 20% to 30% more than other publication papers. Those who have pared budgets are spending 13% less. The four most popular targets for reduced spending are paper, printing, four-color and staff. Interviews with selected executives indicate this group is cutting paper's basis weight and four-color.

PAGE-COUNT PROJECTIONS

34.5%

of all respondents expect to run more pages this year.

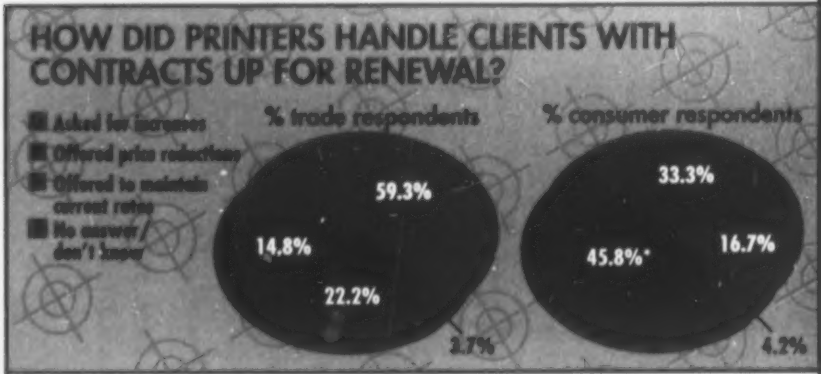
58.2%

expect to be on par with 1991.

7.3%

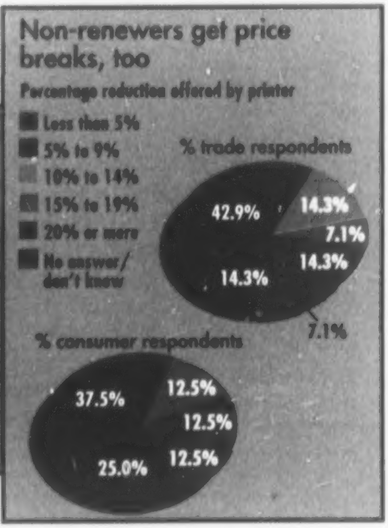
anticipate running fewer pages.

▲ Trade magazine executives are slightly more pessimistic about page counts, with 13.3% expecting to run fewer pages in 1992 than they did last year. On the whole, all respondents planning to produce fatter magazines this year anticipate a page count rise of 11.9%. Those bracing for a decrease project a page count drop of 10.0%.



▲ Printers are doing what they can to hang onto their clients. Most either held rates or cut them, according to the 51 production execs who had contracts up for renewal during 1991 or the first two months of 1992. Printers who did raise prices asked trade publishers for a median increase of 2.5%; the hike for consumer publishers was 6.3%. Printers offering reductions shaved 5.0% off the printing bill for trade publishers and 6.7% for consumer publishers. Slightly more than 18% of production executives were unhappy with what their printers offered and switched vendors.

* The consumer respondents who were asked for increases would appear to be among the smaller-run (association, scientific and educational) publications.



▲ Of the 110 respondents whose contracts were not up for renewal, only 28.2% report trying to renegotiate printing costs (more than two-thirds of those who tried were successful). Fully two-thirds of business magazine execs and three-quarters of consumer magazine respondents failed to renegotiate. Of those that did, trade magazines knocked a median 8.8% off their printing bills; consumer magazines reduced costs by 7.5%.

gotiate with suppliers, it apparently isn't a time for publishers to embrace innovation. Less than 20 percent of the magazine publishers surveyed are using selective binding to tailor advertising and editorial for their readers.

"Printers have spent millions adding this technology, believing magazines would use it," observes Russ Shores, a consultant to both printers and publishers. The industry has watched *Time*, *U.S. News & World Report* and now *Newsweek* indicate that they are moving in this direction, but what is holding up the majority of publishers? Lack of sophisticated databases, says Shores.

"Publishers have to know who their subscribers are, how much they make and what they do for a living," he says. "Most can't tell you." For selective binding to take off, publishers will have to see the value in doing more than collecting a subscription payment or asking for minimal information on a response card. They must go after demographic data."

Still, 16.7 percent of production execs surveyed expect to use the technology within the next 12 months. Crain Communications, Chicago, publisher of *Ad Age*, *Automotive News* and other trade titles, is looking at circulation as well as advertising applications, says Bill Strong, vice president of circulation. Readers will be prompted to renew, or told when they are receiving their last issue, in addition to getting tailored ads.

This trade magazine publisher's strategy is significant considering that, unlike the major consumer publications, it will be segmenting already relatively small pressruns.

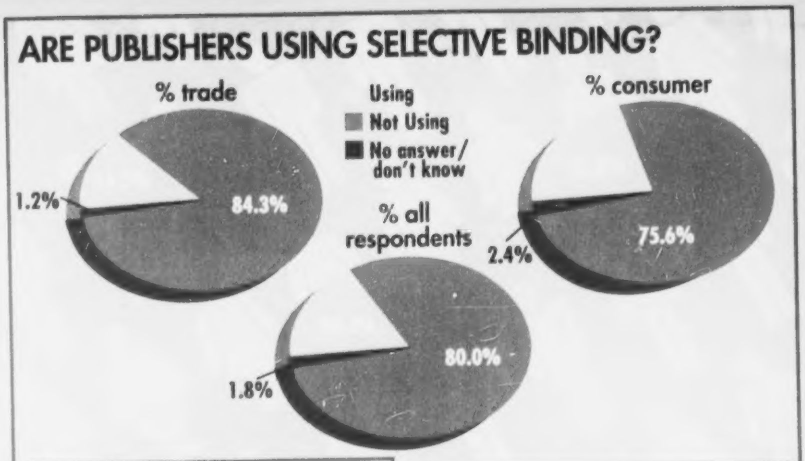
Don't get smug

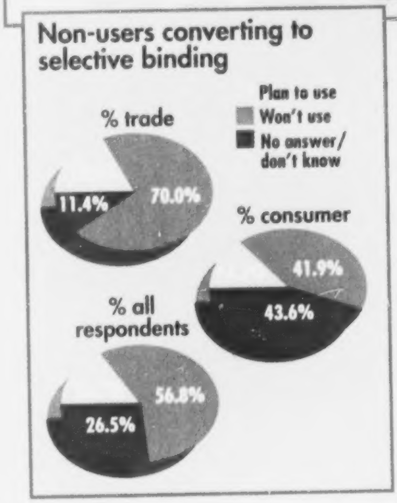
As the industry struggles toward economic recovery, suppliers will no doubt continue to push product-enhancing services, such as selective binding, while remaining flexible on pricing.

But there is also a danger in squeezing vendors too hard. "It hurts in the long run. You want your vendors to make a profit, not a large one, but a profit nonetheless," says consultant Frye. "If vendors are pushed too hard they will either sell out or close their doors, leaving a handful of major companies serving the publishing industry."

This is no time for production executives to be smug, Cautions Frye. "Publishers have to take advantage of low printing and paper costs now. We are at the bottom; there is no place for prices to go but up." ■

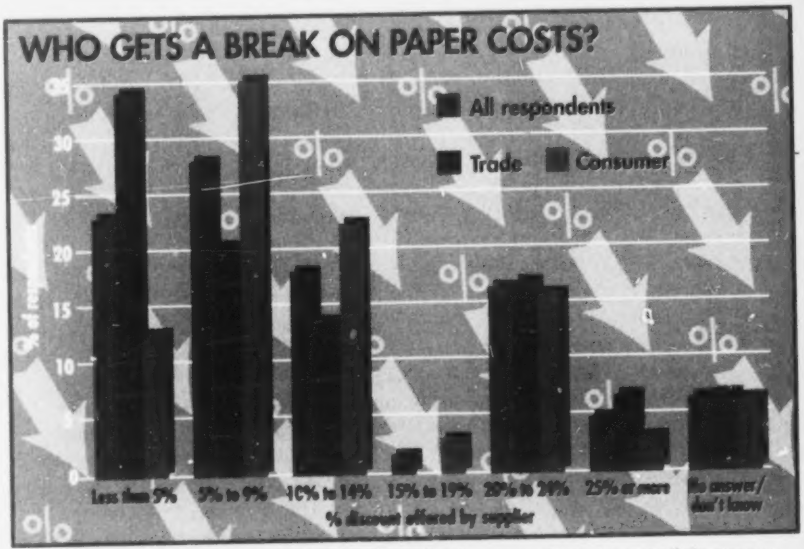
SONO DESIGN





▲ Just over half of the 30 respondents taking advantage of selective-binding technology use it exclusively to tailor advertising messages to various demographic groups. Another 20% are binding in specific editorial sections, while 26.7% are using selective binding to tailor both advertising and editorial messages.

◀ Another 16.7% of 132 production execs say they will start using this technology by the first quarter of 1993, with almost half planning to bind selectively both ad and edit sections. About 36% plan to run targeted advertising. Apparently many production executives are still unsure of the benefits of selective binding—as indicated by the high number of consumer respondents who simply don't know where they stand. Those adamant about not using selective binding say it is unnecessary, or too expensive. Others report their audiences are homogeneous, making segmentation of circulation lists unnecessary.



▲ The paper glut prompted 41.8% of production executives to negotiate paper price cuts—or price cuts were offered by suppliers. Almost 90% of those asking for discounts were successful. Trade magazines report a median price reduction of 7.9%; consumer magazine publishers are paying 9.8% less.

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MAGAZINE ACQUISITIONS: WHAT BUYERS ARE LOOKING FOR NOW

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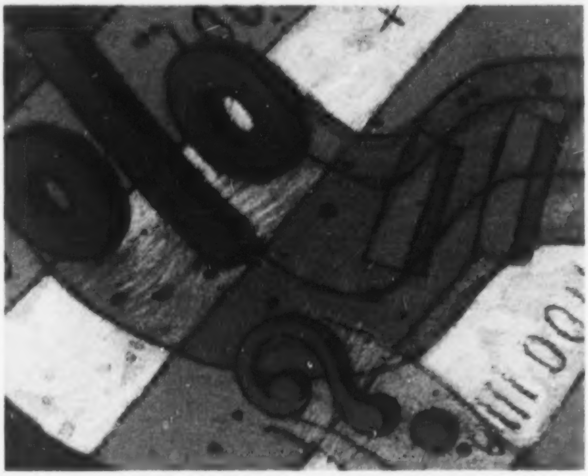

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ATTENTION! GOOD PR CHEAP

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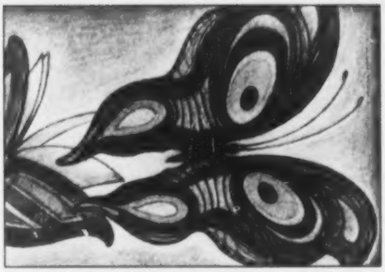

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FOLIO:'s 1992 Production Salary Survey

Some of your peers may have done better than you'd expect. See how you stack up.

By Suzanne Zelkowitz

The lament of one production manager, "In order to get a job in production/publishing (it took three months), I had to take a $5,000 salary cut. I'm happy to *have* a job!" was echoed, with variations, by numerous other production executives this year. Nevertheless, the downturn in the economy didn't pinch every production professional equally hard: Responses to FOLIO:'s exclusive annual production salary survey suggest that although production departments have taken a beating in terms of staff reductions, salaries have, for the most part, either held firm or risen. (Both production directors and production managers reported a 6 percent salary increase over 1991.)

Pressure on the remaining staff to cut costs was intense. Beyond the obvious cuts, like smaller books and reduced trim size, many production executives saw their bonuses disappear, took on additional responsibilities—sometimes without extra compensation—and were offered comp time rather than overtime pay. Some indicated that overtime was actively discouraged. There were frequent reports of salary and hiring freezes and scattered remarks that some staff positions were cut back to part-time. Morale is, understandably, down.

On the positive side, production executives continue to see themselves as the last bulwark of quality and feel a strong commitment to maintain high production standards, even while negotiating harder with vendors and pushing up issue deadlines to accommodate advertisers. One production director noted, "We are now taking a more disciplined approach to reviewing quality." Cost-cutting without sacrificing quality was the watchword. "All available funds go into the magazine—there hasn't been a raise in two years. Subscribers, however, would think this book is thriving," maintained a manager. And a production director who held that "the downturn has actually improved the quality of our publications because we have upgraded to compete harder for ad dollars" found his observation bolstered by one production manager who crowed: "While we scrimped on product (using more black and white), we almost immediately dug deeper into our pockets (improving paper, art and editorial) and advertisers came back. It was *amazing*."

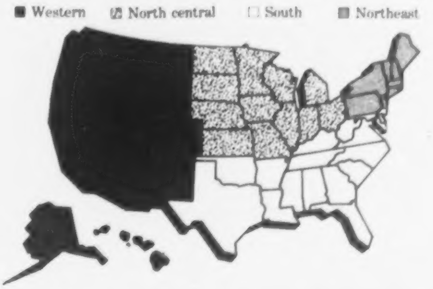
Methodology

Four hundred ninety-nine of the 1,085 production professionals who received questionnaires responded to FOLIO:'s eighth annual production salary survey, resulting in an overall response rate of 46 percent. Four hundred and seventy-six responses (44 percent) contained sufficient information to be used for tabulation. The survey was conducted through two mailing efforts in January 1992. Participants were asked to supply data reflecting 1992 earnings; if exact figures were unavailable, they were requested to estimate.

In some cases, respondents did not give an exact figure, but gave an expected range instead. Here the mean was used for tabulation.

About 52 percent of the mailing was sent to production directors and 48 percent to production managers. Of the tabulated responses, the response rate among managers was more than twice as high as directors (58 percent versus 27 percent). About 51 percent of the sample was sent to trade publications, with the balance to consumer magazines. And last, about 65 percent of the sample in each category was drawn from magazines with less than 100,000 in circulation, while 35 percent came from magazines with more than 100,000 circulation.

The regions have been divided as follows:



Production director: Salary

Production director (may be called VP of production): Negotiates printing, typesetting and engraving contracts; establishes production schedules. Oversees production managers and advises on technical matters; is directly responsible for quality control.

Faster turnaround; fatter paycheck. Production directors on weeklies and biweeklies earn 32 percent more salary, overall, than those on monthlies.

Average salaries (The number of respondents is in parentheses.)		**% increase from '91 to '92**
All respondents	$48,816 (162)	5.8%
Business	$46,597 (84)	6.6
Consumer	$51,274 (74)	5.0
Top one-third	$68,571 (54)	
Middle one-third	$45,778 (54)	
Bottom one-third	$32,098 (54)	

	Average	**Average business**	**Average consumer**
By region:			
Northeast	$53,713 (58)	$50,881 (34)	$57,655 (22)
South	46,362 (37)	38,694 (19)	55,324 (17)
North central	46,411 (30)	45,619 (17)	47,817 (12)
Western	44,718 (34)	44,958 (12)	44,586 (22)
By sex:			
Male	$57,106 (62)	$53,378 (28)	$60,176 (34)
Female	43,676 (100)	43,206 (56)	43,708 (40)
By age:			
29 or less	$36,434 (22)	$31,987 (14)	$44,857 (7)
30-39	43,632 (69)	40,351 (36)	47,344 (32)
40-49	54,160 (46)	55,529 (24)	52,084 (20)
50 or more	64,184 (25)	68,100 (10)	61,573 (15)
By years in production:			
Up to 10	$41,798 (80)	$40,612 (46)	$43,097 (31)
11-20	49,211 (51)	48,304 (23)	49,584 (27)
More than 20	66,750 (30)	63,071 (14)	69,969 (16)
Eligible for bonus/incentive:			
Yes	$51,614 (74)	$51,587 (33)	$51,503 (40)
No	46,462 (88)	43,368 (51)	51,005 (34)
Responsible for:			
One magazine	$46,187 (56)	$42,493 (24)	$48,997 (30)
More than one magazine	50,205 (106)	48,239 (60)	52,827 (44)
By employees supervised:			
None/one	$38,815 (36)	$37,456 (16)	$39,911 (19)
2-5	44,426 (73)	41,753 (40)	47,374 (32)
6-10	55,270 (22)	49,344 (10)	61,773 (11)
More than 10	67,672 (29)	66,375 (16)	70,042 (12)
By circulation:*			
Up to 49,999	$37,500 (48)	$37,265 (35)	$38,000 (12)
50,000-99,999	43,142 (35)	45,216 (24)	38,180 (10)
100,000 or more	58,205 (79)	60,988 (25)	56,855 (52)
By frequency:*			
Weekly/biweekly	$62,432 (24)	$56,309 (15)	$76,750 (8)
Monthly	47,120 (92)	44,065 (54)	51,300 (35)
Other	45,104 (46)	46,000 (15)	44,670 (31)
By total pages produced annually:*			
Up to 999	$43,404 (64)	$42,901 (32)	$44,041 (31)
1,000-1,499	46,877 (31)	45,962 (21)	48,800 (10)
1,500-2,999	53,640 (32)	50,998 (9)	54,875 (20)
3,000 or more	57,809 (28)	53,134 (16)	64,042 (12)

***Refers to the largest-circulation magazine on which respondent works.**

Range of total compensation

Production director:	
Top one-third	$83,202 (23)
Middle one-third	$53,317 (23)
Bottom one-third	$36,230 (24)

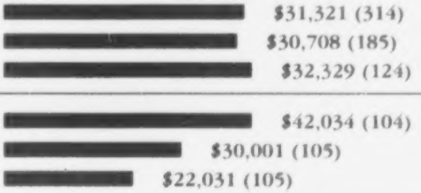
Production manager:	
Top one-third	$42,025 (32)
Middle one-third	$30,597 (32)
Bottom one-third	$22,285 (33)

Production manager: Salary

Production manager: Directly responsible for daily production operations, including publication paste-up, quality control and maintaining production schedules. Is liaison with printing plant. May traffic advertising and editorial materials.

Holding steady with last year's salary results, male production managers still outpace their female peers by 16 percent.

Average salaries (The number of respondents is in parentheses.)

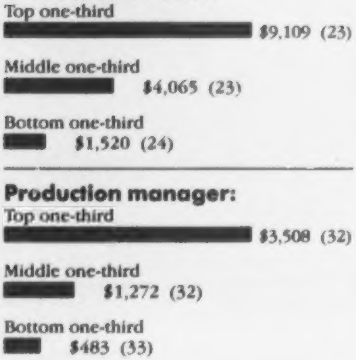


		% increase from '91 to '92
All respondents	$31,321 (314)	6.4%
Business	$30,708 (185)	6.2
Consumer	$32,329 (124)	6.6
Top one-third	$42,034 (104)	
Middle one-third	$30,001 (105)	
Bottom one-third	$22,031 (105)	

	Average	Average business	Average consumer
By region:			
Northeast	$34,734 (114)	$34,087 (67)	$36,042 (45)
South	29,515 (74)	28,770 (49)	30,976 (25)
North central	27,197 (72)	26,159 (46)	29,035 (26)
Western	32,312 (52)	34,842 (21)	30,627 (28)
By sex:			
Male	$34,698 (90)	$35,471 (49)	$33,619 (40)
Female	29,964 (224)	28,992 (136)	31,714 (84)
By age:			
29 or less	$27,446 (113)	$26,995 (69)	$28,227 (43)
30-39	32,677 (121)	32,817 (70)	32,454 (48)
40-49	34,083 (54)	31,671 (28)	37,308 (25)
50 or more	36,112 (26)	35,244 (18)	38,063 (8)
By years in production:			
Up to 10	$29,307 (231)	$28,731 (139)	$30,276 (88)
11-20	35,795 (64)	34,826 (35)	37,107 (28)
More than 20	40,829 (17)	42,860 (10)	37,929 (7)
Eligible for bonus/incentive:			
Yes	$29,677 (104)	$29,369 (59)	$30,081 (45)
No	32,135 (210)	31,336 (126)	33,609 (79)
Responsible for:			
One magazine	$31,314 (133)	$31,080 (81)	$31,679 (52)
More than one magazine	31,151 (174)	30,155 (100)	32,749 (69)
By employees supervised:			
None/one	$29,174 (183)	$29,134 (120)	$29,303 (62)
2-5	33,096 (88)	32,001 (42)	34,195 (43)
6-10	37,818 (22)	40,156 (9)	36,200 (13)
More than 10	47,000 (8)	53,667 (3)	43,000 (5)
By circulation:*			
Up to 49,999	$28,884 (128)	$29,466 (100)	$26,788 (26)
50,000-99,999	30,781 (70)	32,049 (46)	28,350 (24)
100,000 or more	34,122 (112)	31,886 (37)	35,429 (72)
By frequency:*			
Weekly/biweekly	$34,514 (42)	$34,000 (26)	$36,307 (15)
Monthly	30,952 (194)	29,984 (119)	32,572 (71)
Other	30,526 (77)	30,743 (39)	30,304 (38)
By total pages produced annually:*			
Up to 999	$29,307 (125)	$28,769 (80)	$30,323 (43)
1,000-1,499	28,969 (68)	29,037 (39)	28,979 (28)
1,500-2,999	32,388 (72)	30,151 (35)	34,879 (36)
3,000 or more	40,221 (34)	40,892 (23)	38,700 (10)

***Refers to the largest-circulation magazine on which respondent works.**

Range of average bonus/incentive



Production director:

Top one-third	$9,109 (23)
Middle one-third	$4,065 (23)
Bottom one-third	$1,520 (24)

Production manager:

Top one-third	$3,508 (32)
Middle one-third	$1,272 (32)
Bottom one-third	$483 (33)

(CONTINUED ON PAGE 71)

(CONTINUED FROM PAGE 66)

Average annual total compensation*

	Production director	Production manager
Received bonus/incentive:		
Yes	$57,278 (70)	$31,539 (97)
No	46,462 (88)	31,336 (126)
By magazine type:		
Consumer	$58,454 (36)	$32,102 (42)
Business	55,670 (33)	31,109 (55)
By region:		
Northeast	$71,326 (25)	$34,951 (28)
South	51,390 (10)	26,740 (25)
North central	53,098 (17)	29,809 (27)
Western	43,103 (17)	36,217 (16)
By sex:		
Male	$67,659 (29)	$34,480 (35)
Female	49,935 (41)	29,879 (62)
By age:		
Up to 39	$48,124 (40)	$30,079 (80)
40 or more	69,483 (30)	38,411 (17)
By years in production:		
Up to 10	$50,977 (28)	$30,277 (76)
More than 10	61,478 (42)	35,788 (20)
Responsible for:		
One magazine	$53,522 (19)	$31,235 (32)
More than one magazine	58,677 (51)	31,875 (63)
By employees supervised:		
None/one	$39,402 (9)	$28,348 (52)
2-5	46,029 (27)	35,637 (32)
More than 5	72,226 (32)	36,105 (10)
By circulation:**		
Up to 49,999	$42,029 (14)	$29,464 (43)
50,000-99,999	42,783 (15)	30,990 (24)
100,000 or more	67,788 (41)	34,417 (27)
By frequency:**		
Weekly/biweekly	$76,262 (12)	$35,144 (12)
Monthly	53,547 (42)	31,464 (59)
Other	52,834 (16)	29,928 (25)
By average total pages produced annually:**		
Up to 999	$53,399 (25)	$29,997 (36)
1,000-1,499	51,579 (17)	29,196 (21)
1,500-2,999	59,326 (11)	34,014 (31)
3,000 or more	68,657 (13)	38,440 (5)

Average annual bonus/incentive*

	Production director	Production manager
Average bonus:	$4,850 (70)	$1,741 (97)
By magazine type:		
Consumer	$5,382 (36)	$1,729 (42)
Business	4,083 (33)	1,750 (55)
By region:		
Northeast	$6,620 (25)	$1,722 (28)
South	4,740 (10)	1,592 (25)
North central	4,220 (17)	1,360 (27)
Western	2,932 (17)	2,673 (16)
By sex:		
Male	$6,717 (29)	$2,060 (35)
Female	3,529 (41)	1,561 (62)
By age:		
Up to 39	$4,265 (40)	$1,489 (80)
40 or more	5,630 (30)	2,926 (17)
By years in production:		
Up to 10	$4,625 (28)	$1,633 (76)
More than 10	5,000 (42)	2,113 (20)
Responsible for:		
One magazine	$5,837 (19)	$2,135 (32)
More than one magazine	4,482 (51)	1,586 (63)
By employees supervised:		
None/one	$2,522 (9)	$1,696 (52)
2-5	3,555 (27)	1,952 (32)
More than 5	6,541 (32)	1,645 (10)
By circulation:**		
Up to 49,999	$3,846 (14)	$1,618 (43)
50,000-99,999	2,143 (15)	1,588 (24)
100,000 or more	6,183 (41)	1,958 (27)
By frequency:**		
Weekly/biweekly	$7,533 (12)	$1,935 (12)
Monthly	3,984 (42)	1,351 (59)
Other	5,109 (16)	2,518 (25)
By average total pages produced annually:**		
Up to 999	$4,470 (25)	$1,459 (36)
1,000-1,499	4,285 (17)	1,568 (21)
1,500-2,999	5,435 (11)	2,212 (31)
3,000 or more	5,969 (13)	1,840 (5)

*** The number of respondents is in parentheses; includes only the individuals who reported receiving both salary and bonus.**

****Refers to the largest-circulation magazine on which respondent works.**

C 2575-1

Sal Marino on innovation . . . page 64

Folio:

JULY 1, 1992 THE MAGAZINE FOR MAGAZINE MANAGEMENT $6.50

FIRST CHOICE

A WINNER BACK IN PLAY AGAIN

Outstanding editorial, sound marketing and die-hard readers all converged to bring *Games* back from the dead–and make a successful publisher of a catalog merchandiser. Says one member of the relaunch team (*left*), "It's proof of the value of really connecting with readers." **49**

STAYING ON TRACK AFTER A SALE

Managing through an acquisition or merger could easily be an executive's toughest challenge, one that many of us are likely to face sometime. **73**

The News
SOLD!

NO DIRECT-MAIL DISASTERS

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Little magazine meets big printer 65

Your magazine may be small, but that doesn't mean a big printer will view you as smalltime.

DUFFY SPEAKS...

They say every dog has his day. Well, today's my day.

You've probably seen me before. I've graced the many ads and promotional materials for Doubleday List Marketing. I've worn silly hats, funny glasses and 10-pound army helmets. I've even gone flying in a spaceship. I've done it all. But up until now, no one has had the chance to hear what I really think about Doubleday List Marketing.

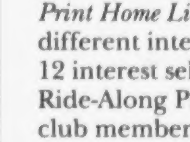
Here's the scoop.

You may think because the list manager owns my leash that I feel obligated to act as Doubleday's Advertising Spokesdog. Not the case at all. If I didn't think her lists were worth promoting, believe me, I'd bark.

A long time ago, a wise old shar-pei said to me "it's easy to be guilty by association." His words really stuck with me. That's why I lend my name to very few things. I wouldn't promote just any old dog biscuit or soggy canned food just to make a quick buck. I have to believe in what I endorse. And I believe in Doubleday List Marketing.

How can you not believe in a variety of lists that let you choose from 2,000,000 buyers who belong to one or more of our seven book clubs...*The Literary Guild, Doubleday Book Club, The Fireside Theatre, The Science Fiction Book Club, The Military Book Club, Mystery Guild* and *The Doubleday Large Print Home Library.* That's a lot of buyers with a lot of different interests! And speaking of interests, there are our 12 interest selects, as well as our Package Inserts Programs, Ride-Along Programs and nearly 200,000 Canadian book club members. Call me or my staff any time at all and we'll be glad to answer your questions or comments.

Lists you can believe in. Variety that can't be beat. And a hard-working staff that goes home dog-tired every night. That's what Doubleday List Marketing is all about.



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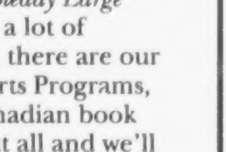

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ABP The Audit Bureau Member MPA

Rising circulation costs bedevil publishers

By Susan Hovey

Circulation, circulation. As publishers scurry to offset lower advertising revenues, the clamor for greater circulation profitability grows louder by the day. And with it, the realization that some new thinking is required.

"Circulation economics are not exactly in great shape, either," notes John Klingel, vice president of development for Time Publishing Ventures. "For every dollar you lose in advertising, you need a lot more to make up for in circulation."

Klingel points out that between 1980 and 1989, the average monthly magazine tracked by the Audit Bureau of Circulations raised its subscription price by only 7 percent. (That figure does not include the Time Inc. titles, which hiked their prices by 85 percent while lowering rate bases.) At the same time, circulation profit margins dropped from 54 to 50 percent, as the volume of direct mail doubled and spending tripled.

> If your first inclination is to raise prices, think again.

So what's a publisher to do? If your first inclination is to raise prices to solve the problem, think again, cautions consultant Robert Cohen. "It's often counterproductive to boost price," he contends. "What matters is efficiency."

Cohen believes publishers could benefit most by focusing on renewals. "It's the most neglected area of circulation. Anything we can do to get that marginal 1 to 2 percent lift is essential."

One tactic he encourages his clients to take is to convert subscribers at the introductory price, instead of automatically stepping them up—the idea being that the cheaper price is still preferable to having to acquire a

(CONTINUED ON NEXT PAGE)

Ad execs proffer advice on boosting share

By Alan E. Sanderfoot

Trade publishers, besieged by direct mail and cable television in the battle for ad dollars, need to do a better job leveraging their two unique assets—a knowledgeable editorial department and access to markets represented by circulation, according to several prominent national advertisers.

Their recommendations came at the Business Publications Audit of Circulation annual meeting in Chicago in May after the presentation of a media survey examining multi-faceted competition that specialized business publications face.

The survey—sent to 316 major national advertisers—was intended to determine current and future levels of print advertising and compare them to spending patterns for other types of promotion.

Of 103 respondents, 55 percent indicated they plan to spend more on direct mail during the coming year. About 45 percent said they plan to set aside more dollars for manufacturers' salespeople, and 43 percent intend to give more cash to cable television. This comes at a time when 60 percent of the business-to-business advertisers and 39 percent of the consumer advertisers reported a decrease in print ad expenditures over the past two years.

About 53 percent of the survey respondents said they would increase their print advertising over the next two to three years. This increase, however, is most likely to come from an overall increase in the total advertising and promotion budget; it will *not* come from a change in the proportion of the total budget slated for print advertising. General Electric's manager of corporate marketing communications, Richard Costello, offered a vivid anecdote supporting the statistical findings. When GE launched a campaign targeted to the U.S.-based automobile industry six years ago, 80 percent of the promotion budget was

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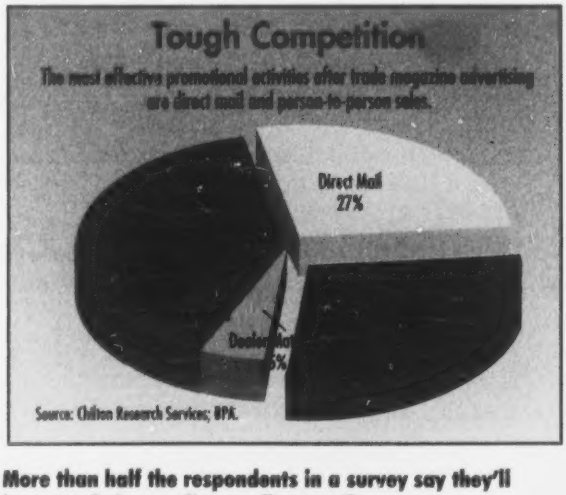

Source: Chilton Research Services; BPA.

More than half the respondents in a survey say they'll increase their spending on direct mail.

Advertisers advise publishers on boosting ad share

(CONTINUED FROM PAGE 19)

going to trade and technical publications, he said. Today, that number has declined to 28 percent.

Be a 'cheerleader'

What can trade magazines do to maintain or boost market share? And what do advertisers want? At IBM, the company looks beyond cost per thousand and pays closer attention to added-value services, says James Reilly, general manager for marketing services and communications. "You don't need big ideas, just good ideas," he says. Other things IBM looks for are good ad position, favorable editorial, ancillary programs (such as selective binding and ink-jetting) and event sponsorship.

Stephen Rutledge, vice president of advertising for Kraft General Foods, Inc., argues that "print has suffered from its inability to show what print can do." He recommends that trade magazines, with their unmatched editorial knowledge, help agencies create ads that use language appropriate for the readers. He also suggests that magazines be "cheerleaders" for the economic recovery. "Until people hear how things are getting better, they won't act as if they are," he reasons.

Asked to rank the importance of 18 added-value services on a scale of one to 10, survey respondents gave only five mean scores of six or higher: supply copies of editorials and ad reprints (6.57); conduct publication sponsored market/readership studies (6.44); perform traditional reader-inquiry services (6.21); make available mailing lists from magazine circulation (6.41); and conduct custom research (6). Interestingly, the last two of these "most important" services have been used by less than half of the advertisers responding to the survey. Nevertheless, they are two that advertisers said they'd be most willing to pay for.

> 'Print has suffered from its inability to show what print can do.'

'Print is outdated'

Meanwhile, a majority of the respondents said that the following services were not appropriate for a publisher to offer: rental of booth space at trade shows (75 percent); telemarketing (70 percent); qualifying sales leads from inquiries (59 percent); producing custom newsletters (54 percent); or providing fulfillment for 800-number inquiries (52 percent).

Finally, despite the advantages of print, several advertisers encourage trade magazine publishers to explore other types of media. Publishers need to look harder at video, cable, computer networks, fax and other electronic media, they insist. Declares Costello: "Print is outdated." ■

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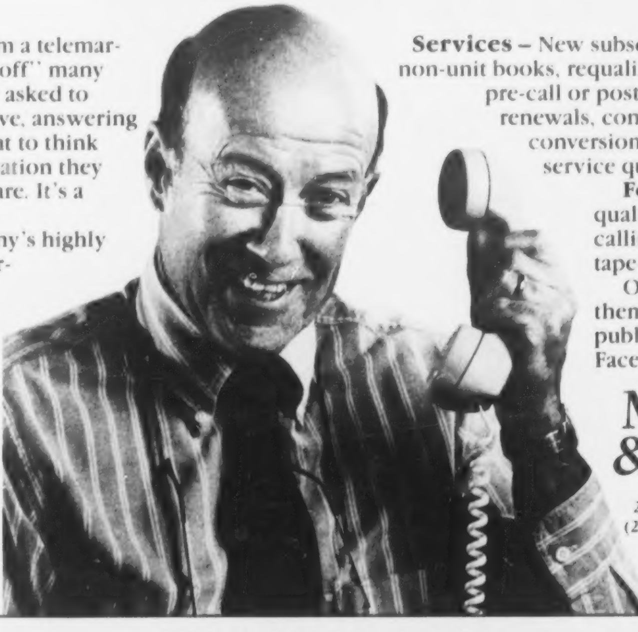

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Neglected children

By Samir A. Husni

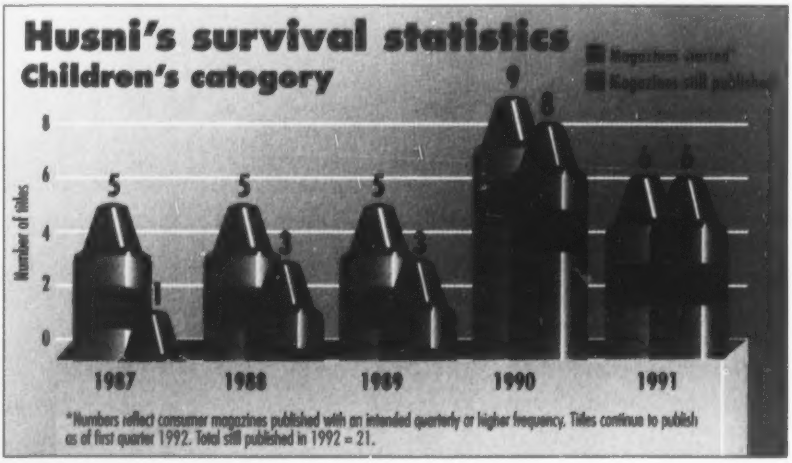
"The children's market has been neglected for a long time," says Tommi Lewis, editor of *Disney Adventures*, the two-year-old start-up from W.D. Publications, Inc. Twenty years ago, says Lewis, children's magazines barely had a presence on the newsstand, as publishers felt it was more effective to reach its audience through school plans.

But my data show that since 1985, over 50 new kids' titles—ranging from one-shots to monthlies—have hit the newsstands. That seems to bear out Lewis's contention that a better-educated generation of baby-boomers place a higher value on reading when it comes to their kids, and are willing to spend on magazines.

Although the survival rate for children's magazines is higher than that for the average publication, not all new kids' titles enjoy the same measure of success. Even such a savvy and well-heeled media company like MTV Network flopped when it tried to introduce *Nickelodeon*, a print companion to its kid-TV channel. The venture lasted one issue before being folded. It's back on the drawing board and may be relaunched in March 1993.

Is there room for more children's magazines? Lewis says "yes" and offers her advice for a new start-up: "Try to write up. Kids like to emulate an older age," she says. But while the magazine's attitude must be slightly "hipper-than-thou," editors can't get too far ahead of their audience. "Kids must feel a sense of ownership in the magazine," she cautions. And to further complicate the equation, editors must also recognize who is paying: "Make sure that the magazine will get the parent's seal of approval." ■

Samir Husni heads the Magazine Service Journalism Program at the U. of Mississippi and is editor of Samir Husni's Guide to New Consumer Magazines *published by* FOLIO:.



*Numbers reflect consumer magazines published with an intended quarterly or higher frequency. Titles continue to publish as of first quarter 1992. Total still published in 1992 = 21.

New Magazines

Heart Disease and Stroke

The American Heart Association introduced its sixth medical journal, *Heart Disease and Stroke*, taglined A Journal for Primary Care Physicians. The magazine made its debut with a January/February issue and is published bimonthly. It is distributed on a controlled basis to 60,000 internists, general practitioners and family-practice physicians who treat patients with heart and vascular diseases. In addition, all AHA Scientific Council members receive membership copies of the journal. Editorial includes developments in prevention and reviews of new techniques, as well as indications for procedures, diagnostic tests and treatment. Editor J. Willis Hurst, M.D., says the AHA understands that timeliness is crucial: "We want to provide [our readers] with accurate information because their role in prevention is critical." A sub-

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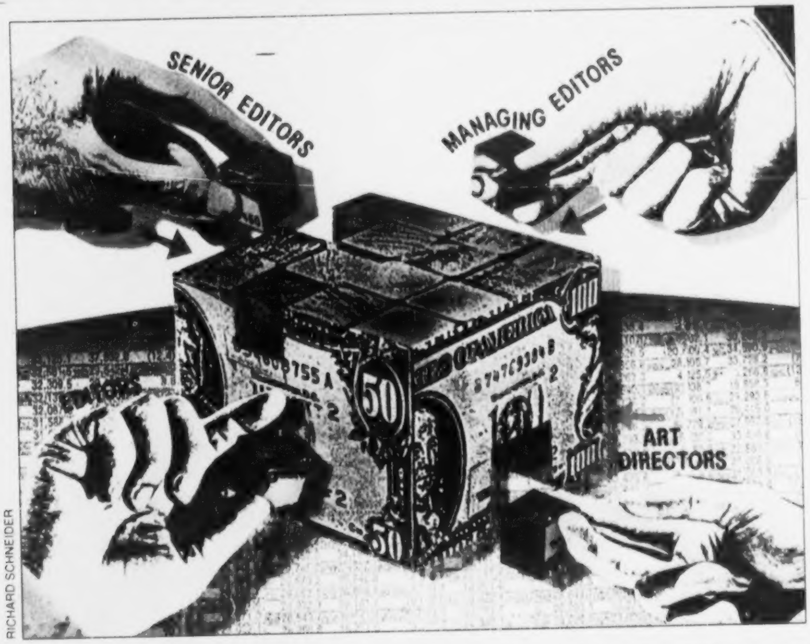
Folio:

The secret life of PCH's Robert Treller . . . page 61

AUGUST 1, 1992 THE MAGAZINE FOR MAGAZINE MANAGEMENT $6.50



RICHARD SCHNEIDER

EDITORIAL SALARY SURVEY

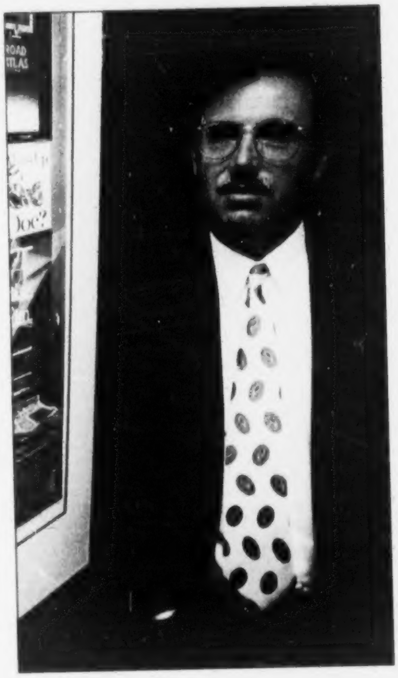
Although there are fewer jobs today, many of the positions that remain pay better than you might expect. The pace and volume of work revved up, but so did compensation. Some editors report seeing the soft economy as offering unusual opportunities for personal advancement. **39**

HIRING REBOUND?

Recruiter Roland DeSilva (*right*) speaks for the industry in calling himself "cautiously optimistic" about hiring in the next year. Still, it's a buyer's market, so we tell you what skills you need now. **34**

SMART IDEAS FROM REGIONALS

City and regionals pioneered value-added selling. Here are some of their publishers' latest ideas, which you may be able to use to strengthen your relationships with advertisers. **57**



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Folio:'s 1992 editorial salary survey: Job security, or lack thereof, was a prime concern for the editorial professionals who responded to this year's survey. Nonetheless, the predominant mood was one of tempered optimism. How do you measure up to your peers in the industry? 39

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City & regionals: Building strength. Leveraging local business contacts is just one way of using proximity to advantage.
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Real people: The hand that signs the letter rules the direct-mail world. If you don't believe it, be prepared to watch your returns decrease.
By Eliot Schein 61

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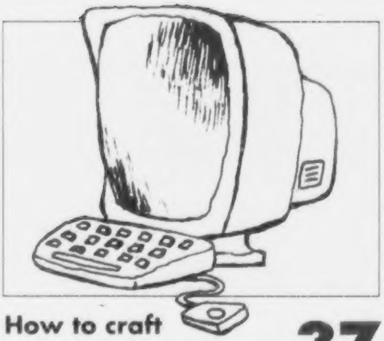

How to craft a dream résumé **37**

Learn the four credentials every job applicant in the magazine business should have on a résumé.

COLLECTOR'S EDITION
LIFE
The Dealers and the Deals the Booms and the Busts the Minute by Minute Action on
THE BIG BOARD
An Inside Look at the New York Stock Exchange in its Bicentennial Year

Specials imbue new *Life* **19**

Is *Life* dependent on its themed supplements for its existence? Maybe not, but they sure help sell ads.

What's in a name? **61**

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Vol. 21 No. 8

Folio:

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FOLIO:'s 1992 Editorial Salary Survey

Who's making what? How do you measure up against your peers?

By Suzanne Zelkowitz

Job security, or lack thereof, was a prime concern for the editorial professionals who responded to this year's survey. But while reports of frozen wages, pay cuts, layoffs, lost bonuses, scaled-back benefits, slashed budgets, reduced mobility, and forced cutbacks to part-time employment poured into our offices, the predominant mood was nonetheless one of tempered optimism.

More than 80 participants took the time to write that their magazines and/or jobs had been relatively unaffected by the current economic climate. The words of a top editorial manager, "It will take years to re-establish the value of quality editorial personnel," were balanced by a senior editor who says, "The magazine is afloat and I am thankful to have a job that is creative and fulfilling."

Many execs could see both positives and negatives. "Watching co-workers get put on reduced or flex hours for economic reasons is always disturbing," writes one managing editor. "But being in good shape for the post-recession marketplace will be good for my magazine in the long-run."

Editorial integrity was another issue that drew strong reaction, with numerous reports of intensified ad pressure on editorial. "While our publisher has kept an acceptable distance between editorial and advertising, the connection between the two is never far from view. A larger percentage of our book is given to hooks and ad sections—all ethical, legitimate and less interesting than unencumbered features. I hate that!" laments one managing editor.

Pressure to accept increased responsibility without commensurate compensation has become a hard reality. Staff cuts have taken their toll. "We seem to work harder, longer hours. It's a good thing we love what we do. But we're getting very tired," acknowledges a top manager. Adds another, "My biggest problem has been lack of time to do long-range planning, conceptualizing. Also my staff is as lean as it can be (and getting meaner every day)."

But amid reports of "imminent burnout," one art director speaks for many editorial professionals on the business of making magazines: "I still love it and look forward to the daily insanity."

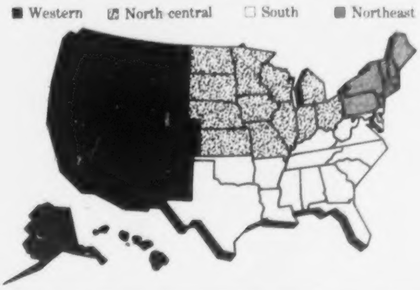
Methodology

Five hundred eighty of the 1,322 editorial professionals who received questionnaires responded to FOLIO:'s eighth annual editorial salary survey, resulting in an overall response rate of 44 percent. Five hundred forty-two responses (41 percent) contained sufficient information to be used for tabulation. The survey was conducted through two mailings, in March and April 1992.

The sample universe was divided among five categories of editorial professionals. Each category was evenly divided between consumer and business titles. About 64 percent came from magazines with under 100,000 in circulation; 36 percent came from magazines with more than 100,000 in circulation. This year, the senior/associate editor category was changed to reflect only senior editors and exclude those having associate editor responsibilities. This provides a sharper picture of senior editors' salaries, since combining the two titles had tended to make both sets of data less accurate.

All participants were asked to supply data reflecting 1992 earnings; if exact figures were unavailable, respondents were asked to estimate. Some respondents did not report an exact figure, but instead gave an expected range. Here the mean was used for tabulation.

The regions have been divided as follows:

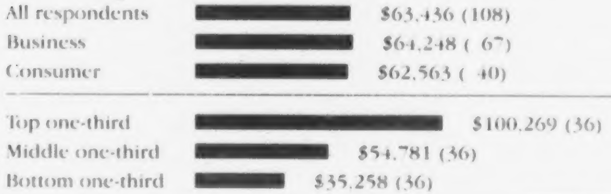


Editorial management

Editorial management (editor and publisher, editor in chief, editorial director): Sets editorial policy. May hold other titles; may be in charge of other products and other departments in addition to editorial. The editor reports to this individual.

The grayer, the greener. Editorial managers who are 40-plus outdistance younger colleagues by 61 percent in salary. The gap widens to 85 percent in *total* compensation.

Average salaries (The number of respondents is in parentheses.)

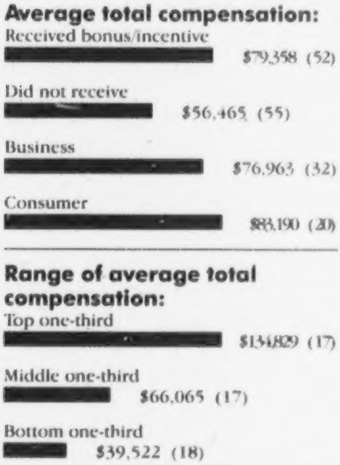


		% increase from '91 to '92
All respondents	$63,436 (108)	8.1%
Business	$64,248 (67)	8.2
Consumer	$62,563 (40)	7.9
Top one-third	$100,269 (36)	
Middle one-third	$54,781 (36)	
Bottom one-third	$35,258 (36)	

	Average	Average business	Average consumer
By region:			
Northeast	$74,847 (38)	$78,397 (29)	$63,411 (9)
South	55,556 (27)	61,257 (14)	49,867 (12)
North central	54,900 (20)	50,214 (14)	65,833 (6)
Western	61,257 (23)	47,050 (10)	72,185 (13)
By sex:			
Male	$69,724 (63)	$71,385 (34)	$68,625 (28)
Female	53,670 (44)	55,641 (32)	48,417 (12)
By years in editorial:			
Up to 3	$34,600 (4)	$25,000 (2)	$44,200 (2)
4-10	49,983 (47)	49,426 (27)	50,735 (20)
11-20	78,456 (34)	77,795 (22)	82,909 (11)
More than 20	73,739 (23)	75,538 (16)	69,629 (7)
By age:			
29 or less	$46,125 (8)	$47,250 (4)	$45,000 (4)
30-39	48,428 (43)	52,308 (26)	42,400 (16)
40-49	75,079 (33)	72,132 (19)	79,079 (14)
50 or more	80,088 (24)	76,950 (18)	89,500 (6)
Eligible for bonus:			
Yes	$70,670 (53)	$70,548 (33)	$70,870 (20)
No	56,465 (55)	58,132 (34)	54,255 (20)
Responsible for:			
One magazine	$62,103 (58)	$62,861 (36)	$61,667 (21)
More than one magazine	64,982 (50)	65,858 (31)	63,553 (19)
By editorial personnel supervised:			
None one	$44,815 (20)	$52,200 (10)	$36,700 (9)
2-5	51,514 (49)	51,242 (31)	51,983 (18)
6-10	71,645 (20)	75,821 (14)	61,900 (6)
More than 10	105,142 (19)	94,383 (12)	123,586 (7)
By circulation:*			
Up to 49,999	$52,285 (54)	$54,074 (42)	$46,209 (11)
50,000-99,999	66,947 (15)	85,929 (7)	50,338 (8)
100,000 or more	74,961 (38)	73,941 (17)	75,786 (21)
By frequency:*			
Weekly biweekly	$76,542 (12)	$75,250 (10)	$83,000 (2)
Monthly	$63,239 (70)	60,622 (46)	69,309 (23)
Other	57,919 (26)	69,409 (11)	49,493 (15)
By average annual editorial pages:*			
Up to 499	$50,509 (34)	$54,300 (20)	$45,093 (14)
500-999	71,290 (51)	71,170 (27)	72,617 (23)
1,000 or more	62,150 (20)	61,294 (17)	67,000 (3)

*** Refers to the largest-circulation magazine on which respondent works.**

Editorial management



Average total compensation:

Received bonus/incentive	$79,358 (52)
Did not receive	$56,465 (55)
Business	$76,963 (32)
Consumer	$83,190 (20)

Range of average total compensation:

Top one-third	$134,829 (17)
Middle one-third	$66,065 (17)
Bottom one-third	$39,522 (18)

Includes only individuals who reported receiving both salary and bonus. The number of respondents is in parentheses.

Editor

Editor: Responsible for editorial direction and content, including art, text and cover of one or more magazines.

Average salaries (The number of respondents is in parentheses.)

		% increase from '91 to '92
All respondents	$45,608 (124)	6.6%
Business	$48,609 (65)	8.2
Consumer	$42,365 (57)	4.4

Top one-third	$68,572 (41)
Middle one-third	$40,648 (41)
Bottom one-third	$28,033 (42)

	Average	Average business	Average consumer
By region:			
Northeast	$54,613 (38)	$55,092 (25)	$53,692 (13)
South	43,040 (36)	45,142 (18)	40,994 (17)
North central	40,624 (19)	43,673 (13)	34,017 (6)
Western	40,606 (31)	44,667 (9)	38,848 (21)
By sex:			
Male	$51,050 (73)	$55,656 (35)	$47,158 (36)
Female	37,955 (50)	40,388 (30)	34,305 (20)
By years in editorial:			
Up to 3	$29,536 (14)	$30,300 (5)	$27,750 (8)
4-10	40,287 (59)	44,012 (30)	36,271 (28)
11-20	56,696 (41)	56,990 (26)	56,187 (15)
More than 20	54,040 (10)	51,500 (4)	55,733 (6)
By age:			
29 or less	$32,668 (20)	$38,044 (8)	$29,083 (12)
30-39	45,903 (53)	47,181 (29)	44,504 (23)
40-49	52,606 (36)	55,696 (23)	47,138 (13)
50 or more	45,027 (15)	41,200 (5)	47,711 (9)
Eligible for bonus:			
Yes	$45,980 (40)	$48,524 (21)	$43,168 (19)
No	45,431 (84)	48,650 (44)	41,963 (38)
Responsible for:			
One magazine	$47,196 (81)	$51,501 (42)	$42,670 (37)
More than one magazine	42,918 (42)	43,934 (22)	41,800 (20)
By editorial personnel supervised:			
None/one	$36,284 (56)	$38,000 (29)	$34,441 (27)
2-5	45,740 (47)	46,824 (21)	45,229 (24)
More than 5	71,885 (20)	71,620 (15)	72,680 (5)
By circulation:*			
Up to 49,999	$38,233 (50)	$42,122 (30)	$31,947 (19)
50,000-99,999	48,337 (27)	52,041 (17)	42,267 (9)
100,000 or more	52,324 (46)	57,618 (17)	49,221 (29)
By frequency:*			
Weekly/biweekly	$64,285 (13)	$65,027 (11)	$60,200 (2)
Monthly	46,796 (65)	47,148 (32)	46,839 (31)
Other	38,651 (46)	42,525 (22)	35,100 (24)
By average annual editorial pages:*			
Up to 499	$39,691 (60)	$41,926 (33)	$36,842 (26)
500-999	48,366 (37)	54,102 (15)	44,619 (21)
1,000 or more	56,086 (22)	57,929 (14)	52,863 (8)

*** Refers to the largest-circulation magazine on which respondent works.**

Playing a supervisory role earns editors with more than five editorial staffers nearly double the salary of peers who direct one or none.

Editor

Average total compensation:

Received bonus/incentive	$47,806 (36)
Did not receive	$45,431 (84)
Business	$49,889 (18)
Consumer	$45,722 (18)

Range of average total compensation:

Top one-third	$70,283 (12)
Middle one-third	$43,825 (12)
Bottom one-third	$29,308 (12)

Includes only individuals who reported receiving both salary and bonus. The number of respondents is in parentheses.

Managing editor

Managing editor: Coordinates editorial, art and production departments to ensure that the magazine is put out on time and in an acceptable form. Oversees the copy editing and proofreading staff to make sure the magazine is factually and grammatically correct.

Seasoned managing editors with over 10 years in the business receive 42 percent more in wages than their less-experienced counterparts.

Average salaries (The number of respondents is in parentheses.)

		% increase from '91 to '92
All respondents	$40,814 (124)	8.4%
Business	$40,945 (58)	7.2
Consumer	$40,659 (64)	7.7

Top one-third	$57,988 (41)
Middle one-third	$37,903 (41)
Bottom one-third	$26,892 (42)

	Average	Average business	Average consumer
By region:			
Northeast	$46,620 (50)	$44,792 (24)	$48,440 (25)
South	35,608 (24)	39,200 (9)	33,057 (14)
North central	34,913 (29)	37,755 (18)	30,264 (11)
Western	41,090 (21)	38,200 (7)	42,536 (14)
By sex:			
Male	$41,511 (49)	$40,897 (19)	$42,000 (29)
Female	40,359 (75)	40,968 (39)	39,549 (35)
By years in editorial:			
Up to 3	$27,500 (10)	$28,667 (3)	$27,000 (7)
4-10	36,093 (64)	34,702 (32)	37,183 (30)
11-20	48,546 (36)	50,167 (14)	47,514 (22)
More than 20	52,185 (13)	53,250 (8)	50,480 (5)
By age:			
29 or less	$31,531 (21)	$32,407 (7)	$31,093 (14)
30-39	38,660 (59)	37,404 (32)	40,148 (27)
40-49	47,745 (31)	49,731 (13)	46,850 (16)
50 or more	49,062 (13)	50,750 (6)	47,614 (7)
Eligible for bonus:			
Yes	$42,131 (37)	$42,121 (16)	$42,138 (21)
No	40,255 (87)	40,496 (42)	39,937 (43)
Responsible for:			
One magazine	$42,993 (89)	$42,344 (40)	$43,492 (48)
More than one magazine	35,276 (35)	37,836 (18)	32,163 (16)
By editorial personnel supervised:			
None/one	$33,985 (38)	$33,847 (18)	$34,110 (20)
2-5	38,899 (55)	39,576 (27)	37,958 (26)
More than 5	53,130 (30)	55,067 (12)	51,839 (18)
By circulation:*			
Up to 49,999	$34,716 (45)	$36,445 (32)	$30,462 (13)
50,000-99,999	39,408 (26)	44,917 (6)	37,374 (19)
100,000 or more	46,724 (52)	47,082 (19)	46,753 (32)
By frequency:*			
Weekly/biweekly	$46,044 (18)	$54,845 (11)	$32,214 (7)
Monthly	41,738 (66)	37,472 (33)	46,034 (32)
Other	36,938 (40)	38,207 (14)	36,144 (25)
By average annual editorial pages:*			
Up to 499	$36,366 (43)	$37,620 (22)	$34,855 (20)
500-999	41,804 (45)	37,971 (17)	44,132 (28)
1,000 or more	45,168 (33)	49,185 (17)	40,627 (15)

*** Refers to the largest-circulation magazine on which respondent works.**

Managing editor

Average total compensation:

Received bonus/incentive	$45,526 (34)
Did not receive	$40,255 (87)
Business	$46,078 (14)
Consumer	$45,140 (20)

Range of average total compensation:

Top one-third	$66,391 (11)
Middle one-third	$42,276 (11)
Bottom one-third	$29,379 (12)

Includes only individuals who reported receiving both salary and bonus. The number of respondents is in parentheses.

Senior editor

Senior editor: Plans and writes features and other articles. May head editorial feature department and may oversee other editorial employees, freelance writers and designers. Keeps abreast of trends and news; is responsible for editorial work in assigned subject area.

Average salaries (The number of respondents is in parentheses.)

		% increase from '91 to '92
All respondents	$43,314 (111)	5.5%
Business	$45,581 (62)	4.6
Consumer	$40,655 (47)	7.1
Top one-third	$60,322 (37)	
Middle one-third	$40,750 (37)	
Bottom one-third	$28,870 (37)	

	Average	Average business	Average consumer
By region:			
Northeast	$48,724 (48)	$49,750 (29)	$48,529 (17)
South	39,972 (25)	41,680 (10)	38,833 (15)
North central	41,024 (21)	43,175 (16)	34,140 (5)
Western	35,019 (16)	37,950 (6)	33,260 (10)
By sex:			
Male	$46,088 (54)	$49,958 (32)	$40,955 (20)
Female	40,686 (57)	40,913 (30)	40,433 (27)
By years in editorial:			
Up to 3	$23,786 (7)	$29,750 (2)	$21,400 (5)
4-10	40,463 (56)	42,005 (31)	38,817 (23)
11-20	44,341 (29)	45,393 (15)	43,214 (14)
More than 20	60,300 (15)	58,591 (11)	65,000 (4)
By age:			
29 or less	$31,408 (13)	$33,000 (6)	$30,043 (7)
30-39	41,394 (49)	44,114 (29)	37,579 (19)
40-49	46,669 (31)	51,891 (16)	41,464 (14)
50 or more	51,361 (18)	47,136 (11)	58,000 (7)
Eligible for bonus:			
Yes	$46,404 (26)	$46,500 (15)	$46,273 (11)
No	42,369 (85)	45,288 (47)	38,939 (36)
Responsible for:			
One magazine	$43,841 (92)	$45,140 (51)	$42,569 (39)
More than one magazine	38,861 (18)	44,890 (10)	31,325 (8)
By editorial personnel supervised:			
None/one	$41,892 (63)	$44,510 (39)	$37,752 (23)
More than one	46,289 (42)	48,133 (20)	45,024 (21)
By circulation:*			
Up to 49,999	$36,186 (35)	$40,157 (21)	$30,229 (14)
50,000-99,999	41,118 (28)	44,050 (16)	37,318 (11)
100,000 or more	49,724 (47)	51,118 (25)	48,767 (21)
By frequency:*			
Weekly/biweekly	$50,658 (25)	$50,136 (18)	$52,000 (7)
Monthly	41,255 (67)	43,561 (38)	38,437 (27)
Other	40,911 (19)	44,717 (6)	39,154 (13)
By average annual editorial pages:*			
Up to 499	$34,733 (12)	$33,633 (6)	$35,800 (5)
500-999	40,970 (37)	46,374 (19)	35,267 (18)
1,000 or more	44,904 (40)	48,220 (28)	37,364 (11)

*** Refers to the largest-circulation magazine on which respondent works.**

The earning power of senior editors on magazines with circulations of 100,000 or more is over a third greater than those on titles with 50,000 or less.

Senior editor

Average total compensation:

Received bonus/incentive	$51,168 (26)
Did not receive	$42,369 (85)
Business	$53,529 (15)
Consumer	$47,948 (11)

Range of average total compensation:

Top one-third	$75,213 (8)
Middle one-third	$47,058 (9)
Bottom one-third	$33,904 (9)

Includes only individuals who reported receiving both salary and bonus. The number of respondents is in parentheses.

Art director

Art director: Oversees editorial art and design work for the magazine. Oversees art production. Also heads photography and illustration.

Art directors who oversee more than five art/design employees outearn those who are not supervisors by a full 84 percent in salary.

Average salaries (The number of respondents is in parentheses.)

		% increase from '91 to '92
All respondents	$42,485 (75)	7.4%
Business	$42,195 (40)	8.9
Consumer	$43,764 (33)	5.9
Top one-third	$60,440 (25)	
Middle one-third	$38,724 (25)	
Bottom one-third	$28,292 (25)	

	Average	Average business	Average consumer
By region			
Northeast	$47,458 (31)	$47,632 (19)	$47,183 (12)
South	35,269 (13)	34,929 (7)	38,400 (5)
North central	35,537 (19)	36,070 (10)	35,250 (8)
Western	48,458 (12)	44,375 (4)	50,500 (8)
By sex:			
Male	$44,579 (38)	$41,861 (18)	$49,222 (18)
Female	40,335 (37)	42,464 (22)	37,213 (15)
By years in editorial:			
Up to 3	$29,250 (10)	$31,667 (6)	$26,833 (3)
4-10	39,294 (33)	39,958 (19)	38,393 (14)
11-20	43,724 (21)	46,708 (12)	40,650 (8)
More than 20	82,500 (6)	70,000 (2)	88,750 (4)
By age:			
29 or less	$32,091 (11)	$34,000 (4)	$32,500 (6)
30-39	40,143 (40)	41,133 (24)	39,067 (15)
40-49	48,669 (16)	38,083 (6)	55,020 (10)
50 or more	56,125 (8)	56,000 (6)	56,500 (2)
Eligible for bonus:			
Yes	$44,688 (33)	$41,857 (14)	$47,567 (18)
No	40,755 (42)	42,373 (26)	39,200 (15)
Responsible for:			
One magazine	$44,445 (29)	$40,477 (13)	$48,680 (15)
More than one magazine	41,250 (46)	43,019 (27)	39,667 (18)
By design/art personnel supervised:			
None	$33,076 (17)	$34,511 (9)	$32,814 (7)
One	41,208 (12)	39,750 (4)	43,286 (7)
2-5	41,915 (34)	42,874 (19)	40,700 (15)
More than 5	60,773 (11)	50,438 (8)	88,333 (3)
By circulation:*			
Up to 49,999	$36,907 (15)	$40,760 (10)	$31,000 (4)
50,000-99,999	41,738 (21)	45,727 (11)	37,350 (10)
100,000 or more	45,261 (38)	41,150 (18)	49,826 (19)
By frequency:*			
Weekly biweekly	$49,955 (11)	$44,750 (6)	$56,200 (5)
Monthly	41,171 (45)	40,490 (29)	44,571 (14)
Other	41,274 (19)	49,000 (5)	38,514 (14)
By average annual editorial pages:*			
Up to 499	$37,105 (19)	$37,125 (8)	$37,091 (11)
500-999	39,520 (25)	41,985 (13)	37,245 (11)
1,000 or more	51,095 (21)	43,318 (11)	59,650 (10)

*** Refers to the largest-circulation magazine on which respondent works.**

Art director

Average total compensation:

Received bonus incentive	$47,872 (32)
Did not receive	$40,250 (46)
Business	$43,761 (14)
Consumer	$52,136 (17)

Range of average total compensation:

Top one-third	$70,890 (10)
Middle one-third	$43,896 (11)
Bottom one-third	$30,923 (11)

Includes only individuals who reported receiving both salary and bonus. The number of respondents is in parentheses.

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How to save
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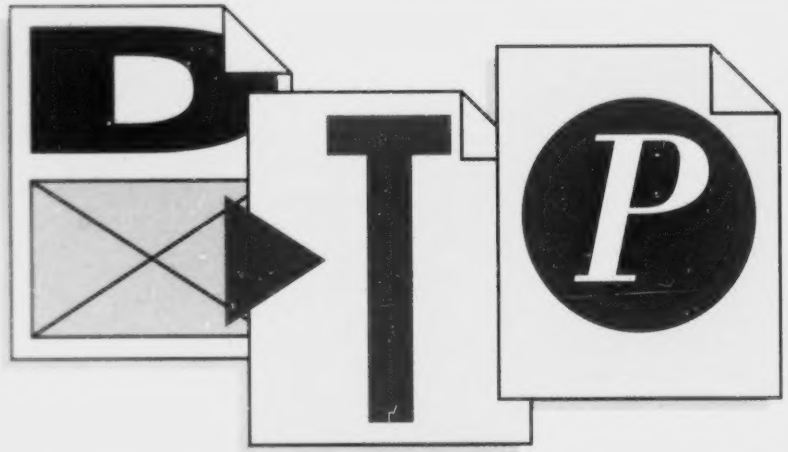
Folio:

SEPTEMBER 1, 1992 THE MAGAZINE FOR MAGAZINE MANAGEMENT $6.50



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HATS
MONTHLY

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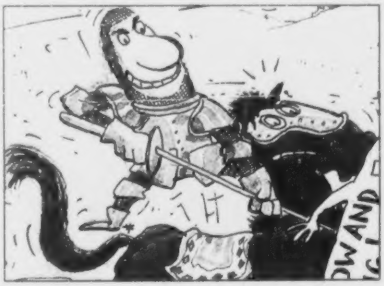

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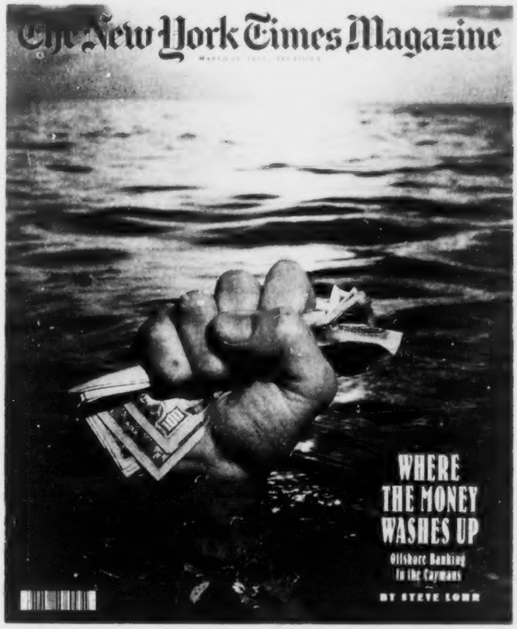
Productive
Times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Private couriers predict extended period of growth

By Paul Miller

Postmaster General Marvin Runyon's desire to stabilize rates is welcome news to magazine publishers. But if history were to repeat itself, the private magazine delivery enterprises, such as Alternate Postal Delivery (APD) and Publishers Express (PE) could have reason to be concerned about their future.

Alternate delivery first surfaced in the late seventies as a direct reaction to fast-rising U.S. Postal Service rates, but it fizzled out by the early eighties when postal rates stabilized and publishers, concerned most with their bottom lines, went back to the USPS. (*For a detailed discussion, see* FOLIO:, *May 1992, page 65.*)

Although the idea of an imminent turnaround in the constantly churning postal rate picture seems far-fetched to most, some postal insiders are saying relief is in sight.

The Postmaster General made his presence felt shortly after he took office in July, giving executives at USPS headquarters a month to come up with ideas for drastic change, including layoffs or attrition at the executive level of the agency. "Everything is on the table for consideration," he has told top postal officials.

If Runyon can produce some kind of a rate-stabilizing miracle, the growing numbers that APD and PE have been posting for the past four years could taper off the way they did nearly a decade ago.

Although several small couriers

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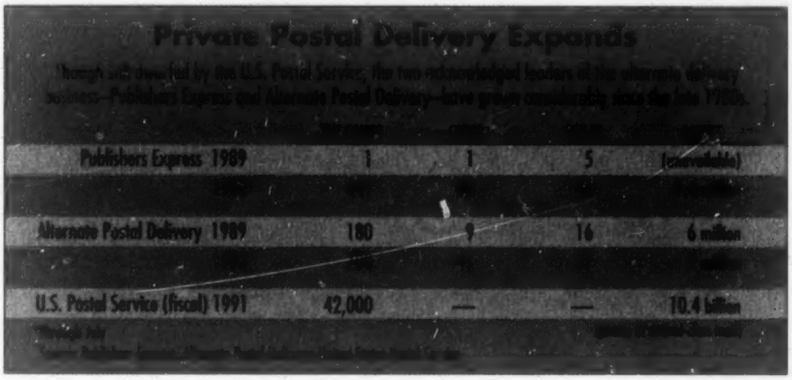

Private Postal Delivery Expands

Though still dwarfed by the U.S. Postal Service, the two acknowledged leaders of the alternate delivery business—Publishers Express and Alternate Postal Delivery—have grown considerably since the late 1980s.

Publishers Express 1989	1	1	5	(unavailable)
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Alternate Postal Delivery 1989	180	9	16	6 million
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U.S. Postal Service (fiscal) 1991	42,000	—	—	10.4 billion

*Through July

Private delivery companies will grow even if postal rates stabilize, the firms believe.

Software leverages business-side data

By Liz Horton

Two of the hottest publishing sectors for the nineties—database marketing and ancillary products—call for managers to integrate their computer systems more closely today than at any time previously. And as computer technology advances and costs come down, publishers today have ever-increasing options for effectively managing and leveraging their business-side information, ranging from fulfillment to ad sales to reader service and finances.

This revolution began in 1973, where Darien, Connecticut-based Jim Kobak and David Webber were quietly building the first computer circulation model, a hefty lump of software that required a mainframe computer to operate it.

The Media Services Group, which grew out of that company, has refined its programs so that they now run on a desktop PC, but the company still offers time-share service to publishers who don't want to invest in the hardware themselves.

> **'The cost of higher-performance computers has come down.'**

In the 20 years since, computer systems have expanded far beyond their initial use in magazine publishing—editorial and production operations.

"The cost of buying higher-performance computers has come down," says Media Services Group president Terry Nathan. "On top of that, both Unix and DOS have become very end-user oriented. The flexibility of PC packages and the power and connectivity of Unix made it possible for people not only to afford these sophisticated software packages, but to run them without the level of in-house expertise that used to be required."

The business management software available to publishers today comes in several categories, with multiple options in each to account for size and complexity of publication or company. It includes:

- Ad software covering contact management and sales prospecting; pro-

(CONTINUED ON PAGE 22)

Private couriers predict growth

(CONTINUED FROM PREVIOUS PAGE)

sprang onto the circuit in the seventies, Grand Rapids, Michigan-based APD—then known as United Delivery Systems (UDS)—was considered by most to be the only major player. (PE, jointly backed by several media conglomerates, including Time Warner and R.R. Donnelley, came into existence in 1989.) Competitive rates were essentially all UDS had going for it, and it delivered in only a handful of Midwest regions.

But the private couriers insist things will be different this time—even if postal rates do level off. APD, for instance, says that its primary selling point is that it can offer added-value arrangements—such as ride-along samples of advertisers' products. "Price is not what's going to drive our growth—it never has," says APD chairman Stan Henry. "Samples are becoming a hot way to market."

New York City-based Publishers Express, which offers added-value ride-along programs as well, nevertheless makes price its major attraction, regardless of what becomes of second-class rates. "We can offer mailers a discount," says PE CEO Jim O'Brien. "And if the Postal Service does stabilize its rates, we don't think that will impede our growth. Our added-value options will help us grow too, because publishers want to increase advertising pages through this marketing side of the business."

"Alternate delivery helps build relationships with advertisers and readers," says *McCall's'* Weber.

Publishers continue to react to both pitches. The New York Times Co.'s *McCall's*, for example, which has built up its circulation with APD from 30,000 of its four million monthly subscriber copies to 150,000 over the past few years, has run several ride-alongs. "Sampling enhances advertisers' messages," says *McCall's* vice president marketing director Nancy Weber. "And alternate delivery helps build on our relationship with both the advertiser and the reader." Weber says a leveling off of postal rates won't necessarily take the *McCall's* business away from alternate delivery. "It gives us a fairly good cross section of different areas of the country, so we can target regionally, market-by-market or by an entire group," she says.

Several other smaller couriers have sprung up over the past few years, but the popular opinion for now, however, is that they—as well as PE and APD—have a very long way to go before they pose a Federal Express- or United Parcel Service-type challenge to the USPS. ■

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Nothing personal, just business

By Samir Husni

In a recent story in *Publishing News (July 15, 1992, page 26)*, Magazine Publishers of America executive vice president for marketing Jim Guthrie singled out personal finance magazines as an indicator that the ad sales recession was over: These titles, which were the first to reflect the downswing, were now, in his words, "tearing up the pea patch." But they just may be tearing up themselves.

More than 48 new business and finance titles have appeared in the last five years, with 30 being published more than four times a year, according to my figures. What was a field for niche-playing entrepreneurs in the beginning of the period measured has become a battleground for some of the media giants. In that kind of scenario, everyone can get hurt.

Last year Dow Jones and Hearst teamed up to produce *Smart Money*, while Capital Publishing, underwritten by Fidelity Investments, launched *Worth*. Even Time Inc., whose *Money* premiered way back in 1973, cranked up the frequency of its *MoneyGuide*.

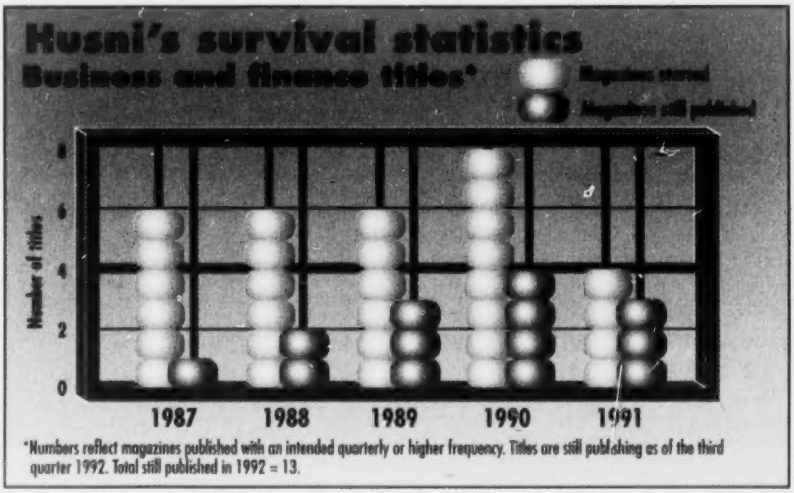
The survival rate for this category is currently around 43 percent, probably good enough for a free-wheeling venture capitalist operating in the eighties, but not for a bottom-line oriented magazine publisher today.

Despite magazine management's new emphasis on circulation revenue, which translates into a willingness to invest in better editorial, the figures do not indicate sustained growth for business and finance magazines: There is the problem not only of market saturation, but of readers discovering other sources for personal-finance information. Online services, for example, had 5.4 million subscribers by the end of 1991, according to SIMBA Information, and at places like Prodigy, with nearly 20 percent of that total, financial-advice columns are among that service's most popular features.

Further competition for the financial reader comes from newspapers that have increased, as well as improved, their edit coverage of the field in the past few years, and from a hoard of targeted and very pricey newsletters that have also emerged.

In defining the raison-d'etre for *Worth* in its premier issue earlier this year, an ebullient Randy Jones, president, implied that "money is easier to spend than earn."

I imagine Jones and his colleagues are finding that aphorism to be sadly true about now. ■



*Numbers reflect magazines published with an intended quarterly or higher frequency. Titles are still publishing as of the third quarter 1992. Total still published in 1992 = 13.

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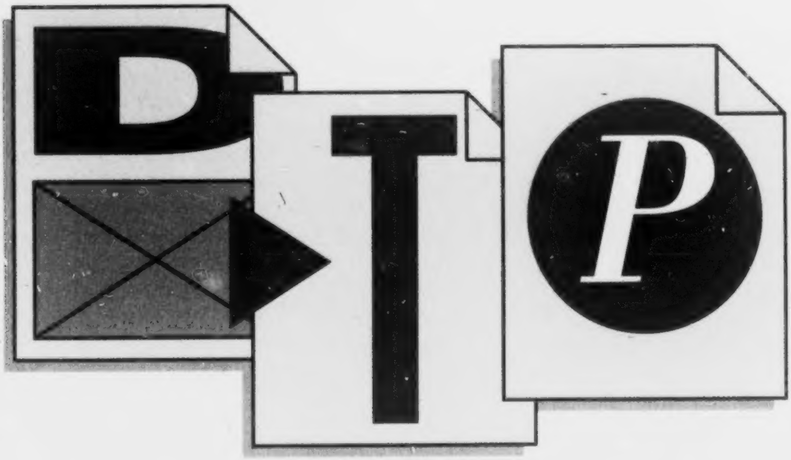


New products and strategy shifts mean a dynamic workplace for production staffs.

1992 Pre-press Trends

By Jean Marie Angelo

Probably no publishing discipline has changed more in the past decade than pre-press. What was once the world of drafting boards, X-Acto knives and rubber cement is now the most technologically advanced part of the publishing process. Any production director from the old school wishing to stay employed has had to undergo a re-education to learn the lingo of hard drives, color monitors and computer software.

As pre-press executives continue to be flooded with Macintosh and PC upgrades and ever-improving software packages, a larger change in the pre-press industry is taking shape: More and more printers are adding digital facilities in an effort to be a publication's one-stop shop, while color separators and pre-press shops struggle to hold on to their customers.

All this activity is happening because production executives have a new option—the ability to produce four-color proofs and even separations in-house. This choice, which was unthinkable five years ago, is now possible for more publishers because the costs of scanners, laser printers and output devices have been steadily dropping as digital color quality has improved. The software packages that produce digital color scans, such as Adobe Photoshop and Fractal's ColorStudio, have also been upgraded.

Suppliers are adjusting to these changes. "I predict that in the next three to five years the only thing publishers won't bring in-house are the presses," says Mary Lee Schneider, desktop publishing product manager at R.R. Donnelley & Sons Co., New York City. The creators will want ultimate control of the product, she explains. And they will most likely gain this control with off-the-shelf products that can be enhanced to fit individual needs.

The constant product introductions and strategy shifts have created a dynamic workplace for the average production executive. Folio:'s annual pre-press survey asked production executives how much of the new technology they are using, and how they are handling their pre-press needs.

According to respondents, about 82 percent of magazines are now using some form of desktop or electronic publishing, and about half of those magazines that do not yet have systems plan to buy one during the next 12 months. The average overall investment in this technology has been $140,000 for the group surveyed.

What have production executives gained? More than one-third say the digital revolution has made their jobs easier and more efficient. Almost one-forth say DTP has yielded more internal control, and 15 percent say their jobs are more diversified and enjoyable. Almost the same percentage of respondents say quality has also improved. However, at least 16 percent say desktop and digital technology have made their jobs more complicated.

"Technical advances have made my job tougher," says Joe Mossa, vice president of production for NYT Sports/Leisure Magazines, made up of *Golf Digest*, *Tennis* and other titles. "If you don't have any idea what is going on in

Methodology

Raskind Research Associates, Inc., Westport, Connecticut, supervised telephone research for Folio: from June 15 to 19, 1992. A total of 219 production executives throughout the United States were contacted on a random, nth-name basis to yield 102 completed questionnaires. One-third of the sample, or 35 executives, work on magazines with circulations of 100,000 or more. The remainder work on magazines with smaller circulations. Overall, 59 respondents work on trade magazines, 43 work on consumer publications. Each respondent was asked for data pertaining to the magazine that is his or her primary responsibility. Executives responsible for more than one title based answers on the magazine with the largest pressrun.

CHART 1

What percentage of magazines are being produced on a desktop or electronic publishing system?

Number of respondents: total, 102; less than 100,000 circ., 67; more than 100,000, 35

Total respondents	Less than 100,000 circulation	More than 100,000 circulation
82.4%	80.6%	85.7%
17.6%	19.4%	14.3%

Companies large and small have embraced digital technology. Magazines with circulations greater than 100,000 have invested slightly more.

CHART 2

What are the most popular platforms?

Number of respondents: 84

An open Macintosh architecture is most common, especially among respondents working on smaller-circulation titles. About 70 percent of smaller-circulation titles use a Mac system, while only 43 percent of larger magazines do so. The second most common system is made up of PCs and Macs. Among the totally proprietary systems listed, Bestinfo's Wave 4 received several mentions.

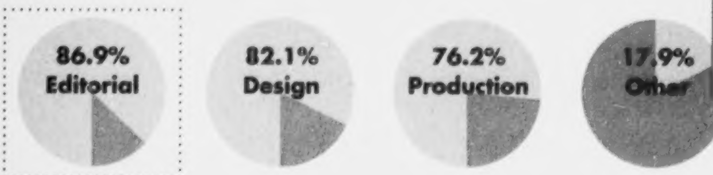
	Percentage of respondents*
Macintosh	**60.7%**
PC	**14.3**
Mac and PC	**26.2**
Totally proprietary	**3.6**
Other	**7.1**

*Column adds up to more than 100 percent because some respondents gave multiple answers. Several use one type of system for editorial and another for design. Others were in the process of making a conversion, but using both systems at once at the time the survey was conducted.

CHART 3

What departments are using DTP or electronic systems?

Number of respondents: 84



Editors are the group most likely to be working on computers.

the computer field, you are dead."

Our statistics reveal that the majority of production executives are recent converts to the digital revolution. Although 17 percent of respondents purchased some type of DTP equipment during 1984 and 1985, the majority did not buy a system until 1990. A full 42.8 percent bought their first systems during the past three years.

But being relative newcomers to DTP does not mean these respondents resist innovation. A full 70 percent of all respondents have already upgraded their hardware or software since purchasing, and about one-third have upgraded twice. About 33 percent of those who have upgraded have purchased more hardware. Half of these respondents added more storage. About 25 percent bought faster hardware, such as Apple's new Quadra computer. Other hardware purchases include scanners, networks, color monitors, accelerator boards, laser printers and CD-ROM players. The overall average spent on the most recent upgrade was $82,900.

The impact on staff

DTP is not having a dramatic impact on staff size. Of the 82.4 percent who have bought some type of DTP system, most, 64.2 percent, have maintained staff size. Only 16.7 percent reported increasing staff, while 19.0 percent cut staff in the wake of technological innovations.

What is changing are the types of jobs people are doing. About 37 percent of this year's respondents who have in-house systems have created new job functions to handle the technology. Slightly more than 14 percent created a systems operator position; about 7 percent now have a pre-press director or manager.

"We built an infrastructure so that artists don't have to become technicians," explains David Hall, director of pre-press for Condé Nast Publications, New York City. "As much as the manufacturer would love you to believe that you take the computer out of the box and are instantly productive, it is not so. It takes people to support the applications and train the staff."

About 56 percent of survey respondents kept the pre-press portion of their budgets the same for 1992. Almost 14 percent increased spending, while 28.4 percent cut the budget. Those spending more on pre-press added 20 percent to the pre-press portion of the

ELIOT BERGMAN

CHART 3A

Hardware and software used by editors

Number of respondents: 84

Macintoshes are gaining ground with editors. While it has long been assumed that PCs were dominant in editorial departments, just as many survey respondents are using Macs as using PCs. Last year, PCs were the editorial hardware of choice for 58.2 percent of respondents. Of those using other hardware, the Atex system is mentioned most often. For the second year running, Microsoft Word is the most popular software.

Primary hardware

	Percentage of respondents
PCs	**40.5%**
Macintoshes	**40.5**
Other	**17.9**
Don't know/no answer	**1.2**

Primary software

	Percentage of respondents
Microsoft Word	**29.8%**
WordPerfect	**20.2**
XyWrite	**17.9**
Other	**25.0***
Don't know/no answer	**7.1**

*The "other" category reflects various software not necessarily used exclusively for word processing.

CHART 3B

Hardware and software for design and production

Number of respondents: 83

Primary hardware

	Percentage of respondents
Macintoshes	**83.1%**
PCs	**13.3**
Other	**2.4**
Don't know/no answer	**1.2**

Primary software*

	Percentage of respondents
QuarkXPress	**69.0%**
Aldus Pagemaker	**26.2**
Other	**26.2**

*Column adds up to more than 100 percent because art directors listed more than one software package for primary use. Others mentioned were Adobe Photoshop, Adobe Illustrator and Aldus Freehand.

The Mac reigns supreme in the art department. Approximately 80 percent of respondents use it to lay out pages, up from last year's 70 percent. Windows is Microsoft's graphical interface software for the PC. QuarkXPress is the most popular design software to date. Xerox's Ventura Publisher received several mentions in the "other" category.

Chart 4

How are DTP and electronic systems being used?

Number of respondents: 84

	Percentage of respondents
Doing page layouts	**97.6%**
Creating type	**83.3**
Creating color tints	**69.0**
Scanning halftones	**63.1**
Scanning low-resolution color separations	**48.8**
Running four-color laser proofs	**20.2**
Running four-color digital proofs	**15.5**
Scanning high-resolution color separations	**13.1**
Running final four-color film	**9.5**
Proofing final four-color film	**17.9**
Other	**4.8**

As expected, the majority of respondents are using their systems to cover the basics: type and page design. However, more than 60 percent are scanning halftones and specing color tints on their digital systems. Some are doing their own color separations. The survey did not ask respondents if they were doing all of their color work in-house. It would appear that many are using a mix of in-house color and vendor-supplied color work, since sources indicate that quality and training issues still plague those using DTP to make color separations. Interestingly, more of the smaller-circulation titles—14.8 percent—are scanning some of their own high-resolution four-color digital separations. Only 10.0 percent of the larger-circulation magazines are doing so.

CHART 5

How much have companies spent on DTP?

Number of respondents: 56

	Percentage of respondents
Up to $20,000	**21.4%**
$20,001-$40,000	**23.2**
$40,001-$75,000	**21.4**
$75,001-$400,000	**21.4**
$400,001-$1,000,000	**8.9**
More than $1,000,000	**3.6**

The average expenditure for the group overall is $140,000. Smaller-circulation titles, however, spent less—an average of $129,000. Larger titles report an average of $167,000.

budget. Spending priorities are equipment upgrades and more four-color. Those who have cut the pre-press portion of their production budgets did so by 10 percent. They plan to save money on improved color separation and pre-press procedures.

Where will it stop? Nobody knows

Whether they love or hate the digital revolution, survey respondents believe it is destined to go forward at the same dizzying speed that it moved during the second half of the last decade.

When asked to predict where digital pre-press will be in five years, 60 percent of respondents say they expect to be sending digital files directly to their printers. Those who manage larger-circulation magazines are especially keen on this idea. Another 20 percent envision their own staffs producing all four-color in-house on software that can produce digital separations, thus eliminating the need for some outside vendors. About 4 percent of respondents predict that stripping functions will be totally eliminated, and 3 percent expect to receive copy-ready, digital ads.

Some magazines are already moving in these directions. At Ziff-Davis Publishing Company, New York City, *MacWeek* is doing its own color separations, according to Lloyd Shultz, the pre-press director. By 1995, he expects all Ziff's high-resolution files to be telecommunicated directly to the printer.

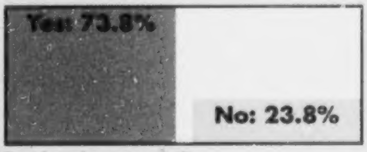
Southam Business Communications Inc., USA., Indianapolis, plans to do all its own color-separation work by October, says Dallas Nauert, director of production and printing: "We are moving toward total in-house pre-press, and four-color will be the largest cost savings." The company currently produces 100 four-color pages per month for 20 trade magazines.

Others are not as eager to bring color work in-house. "We would like to leave the job of doing color separations to the pros," says Richard Sasso, vice president of production and distribution for *Scientific American*, New York City. "We want to work with words and pictures on timely basis." But he is encouraging his printer to take on more digital four-color work. And, he adds, "When you consider where we've been, it is amazing what has taken place in 12 years. It is hard to imagine what can be achieved, but I know we'll be doing more of it on our desktops." ■

CHART 6

Have you achieved cost savings as a result of DTP?

Number of respondents: 84



*Don't know/no answer: 2.4%

A resounding majority say the investment in hardware and software has been worth it. About 28 percent of those who have systems claim to be saving up to $500 per issue. Another 12.5 percent save between $501 and $1,000. About 15 percent save between $1,001 and $2,000, and a full 20 percent report saving between $2,001 and $5,000. The median cost savings for all respondents is $1,667 per issue. Last year the majority reported saving between $1,001 to $2,500.

CHART 8

The options for handling pre-press

Number of respondents: 102

Printer or prep house runs all repro, proofs, film	44.1%
Run repro and laser proofs in-house, but have printer or prep house run final film	28.4
Run repro in-house, but printer or prep house runs proofs and final film	16.7
Run all proofs and final film in-house	6.9
Use another method	3.9

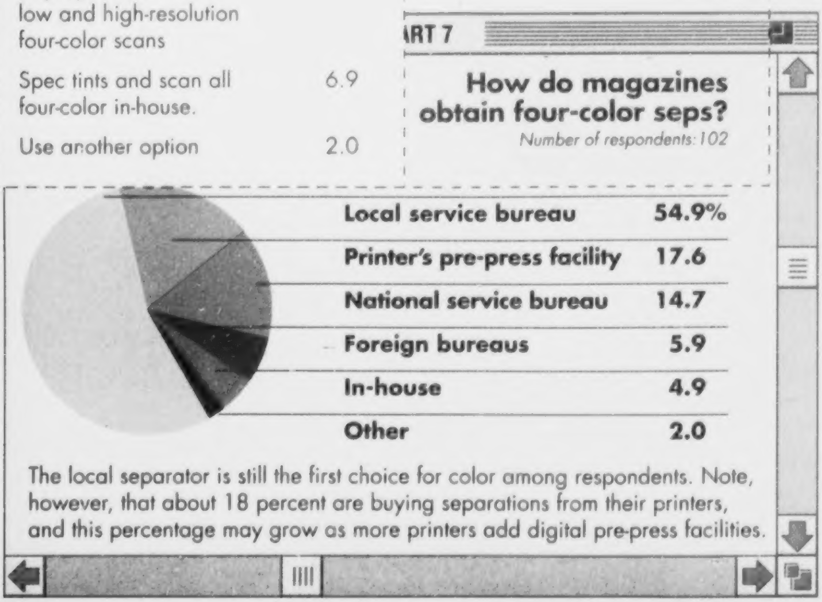
Most respondents are relying on outside vendors to run repro, proofs and film. Almost 30 percent, however, are running their own repro and laser proofs in-house.

CHART 7A

How do production departments handle four-color?

Printer or prep house manually strips in all color tints and four-color	52.0%
Spec all color tints on an electronic or desktop system, but printer or prep house manually strips in four-color	28.4
Spec own tints, but printer or prep house creates low and high-resolution four-color scans	10.8
Spec tints and scan all four-color in-house.	6.9
Use another option	2.0

Slightly more than half the production directors are using an outside vendor to manually strip in four-color. However, the rest are exploring other DTP alternatives. Almost 30 percent spec their color tints on a DTP system.



ART 7

How do magazines obtain four-color seps?

Number of respondents: 102

Local service bureau	**54.9%**
Printer's pre-press facility	**17.6**
National service bureau	**14.7**
Foreign bureaus	**5.9**
In-house	**4.9**
Other	**2.0**

The local separator is still the first choice for color among respondents. Note, however, that about 18 percent are buying separations from their printers, and this percentage may grow as more printers add digital pre-press facilities.

C2575-1

A good time to buy agazine properties? . . . page 67

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1992 AD SALES SALARY SURVEY

The surprise in this year's ad sales salary survey is that despite an economy whose recovery seems stalled, compensation increases were still significant. Learn how you compare with your peers in terms of base salary and total compensation, broken down by age, years in the business, sex, location and more. **51**

WEIDER PUBLICATIONS FLEXES ITS MUSCLES

"We refused to participate in the recession," says Michael Carr (*left*), CEO and president of Weider Publications. For David Obey (*right*), vp and director of consumer marketing, double-digit percentage gains in ad pages last year and through the first nine months of 1992 are impressive evidence of the truth of that statement. **37**

HOME ALONE

Single-title publishers are the bedrock of the industry, but many experts fear that this group is a dying breed. Not so. There's a teeming polyglot still alive and kicking. Two authorities, one from the trade magazine side and the other representing the consumer magazine viewpoint, share strategies that will help ensure the survival of those who practice the art and craft of single-title publishing. **44**

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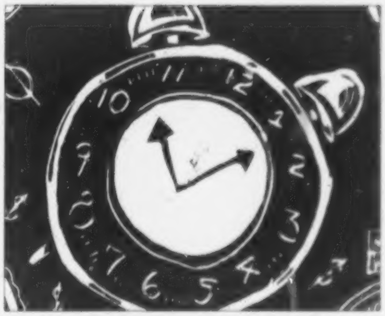
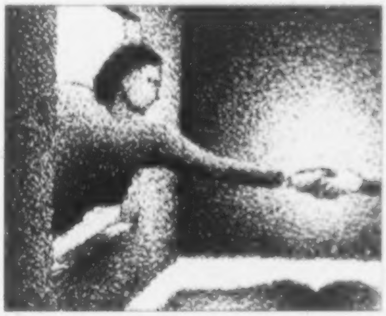


Making up for lost time—in a hurry **59**

Need help in production? The author lets you profit by his years of experience in getting magazines out the door—on time.



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Time to buy? **67**

Magazine acquisitions in the nineties will be very different from those of the eighties. These basic guidelines should help you find your way.

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ABP The Audit Bureau Member MPA

Editors increase output with online research tools

By Lambeth Hochwald

It used to be that magazines paid editors to visit libraries or pore over encyclopedias in the time-consuming task of researching stories. Now, that image connotes days gone by, when editors wore green eyeshades and pecked away at typewriters.

Increasingly, research editors are accessing online information via their PCs to fact-check copy or explore story ideas because they know they can get cutting-edge information into their pages quickly. And while this "electronic research" can be an expensive way to beef up editorial content, it may also be the most effective means to make sure articles are timely in today's crowded news and information market.

With this realization has come increased use of such online services as Nexis, Dow Jones News Retrieval, Dialog and NewsNet, all of which are marketed as tools for journalists.

For Peter Salber, *Newsweek's* library director, filling in fact-checking gaps with Nexis is far more efficient than the "old-fashioned, plodding" techniques used in 1971, when he joined the staff.

"In the seventies, one of our reporters wrote about a Lebanese dish," Salber says. "We spent hours checking travel guides, dictionaries, cookbooks and our own story files to verify its spelling. We ended up calling a Lebanese restaurant in Brooklyn. Today, we would get on Nexis and double-check it."

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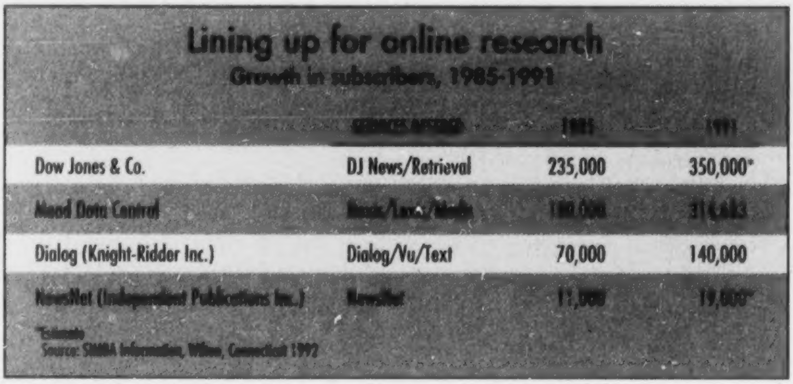

Lining up for online research

Growth in subscribers, 1985-1991

	SERVICES OFFERED	1985	1991
Dow Jones & Co.	DJ News/Retrieval	235,000	350,000*
Mead Data Central	Nexis/Lexis/Medis	[illegible]	[illegible]
Dialog (Knight-Ridder Inc.)	Dialog/Vu/Text	70,000	140,000
NewsNet (Independent Publications Inc.)	NewsNet	11,000	19,000*

*Estimate

Source: SIMBA Information, Wilton, Connecticut 1992

Subscribers to online research sources have grown dramatically in six years.

Execs clash on reader survey methods

By Lisa E. Phillips

Syndicated research can be critical—even the deciding factor—in convincing ad agencies of the size and merit of a magazine's audience. But as a recent symposium sponsored by the Magazine Publishers of America demonstrated, researchers have yet to settle key screening issues. Among them: whether readership results are affected by the initial screening (determining whether a survey participant has read a given magazine within a designated period), and what can be done to standardize the process so that final results aren't as dependent on the interview methods used by research companies. The only thing agreed upon at the symposium was that more research was necessary.

One addendum to the main debate was that smaller magazines often gain readership when measured against larger titles with similar names.

The subject caused a furor among industry researchers and publishing and advertising executives, and sharply divided opinions among executives of Simmons Market Research Bureau, Mediamark Research Inc. and Nielsen Home*Scan. "It brings into question exactly what is readership?" says one magazine marketing executive. "If screening can affect readership as much as they suggest, how involved are those readers, if the screen is so subjective?"

'How involved are those readers, if the screen is so subjective?'

Adds Elliot Gluskin, research manager at *Ladies' Home Journal*, "The one thing the seminar proved is, if you put a bunch of researchers in a room and ask them a question, you'll get as many answers as there are people in the room."

The clamor was first raised by Dr. Valentine Appel, a veteran consumer psychologist and former executive vice president of SMRB, in February 1991 when he re-examined a 1980 Advertising Research Foundation study. "After controlling for circulation size and publishing interval, most of the variance in magazine audience size is determined by the screen-in levels," he concluded, re-

(CONTINUED ON PAGE 22)

March 3
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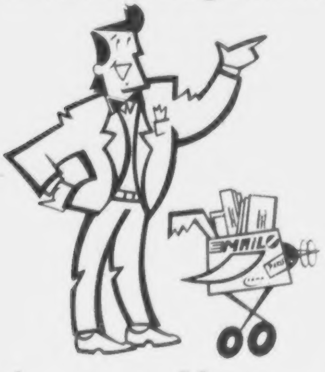

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516 West 19th Street
New York, NY 10011

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*US Congress lowers postage rates

Editor's access online services

(CONTINUED FROM PREVIOUS PAGE)

The growing reliance on obtaining information from secondary sources has spurred the expansion of online services—with sales exceeding $9.6 billion worldwide in 1991. Mainstream computer access, speedier modems and less prohibitive PC prices have also brought more databases into magazine offices in the past few years, according to Lorraine Sileo, editor of "IDP Report," a weekly newsletter covering electronic information services. "People are crunched for time," she says. "Legwork is harder to do when one person is doing the job of two."

> 'There's a huge amount of information at your fingertips.'

Nexis, a service used by many magazines, provides access to more than 750 full-text sources, says Jeff Crigler, a Nexis product director. Monthly subscription charges can reach $50, with additional connect charges plus search and print charges.

For business and financial information, Dow Jones News Retrieval is considered a leading source, with full-text entries from over 50 databases, including *The Wall Street Journal*, *Barron's* and *The Washington Post*. A standard subscription includes a one-time fee ($29.95). Pricing then depends on how much information is retrieved (users are charged 60 cents per "information unit," or one page of downloaded text).

For data on business, science and technology, editors can subscribe to Dialog Information Services, an online service acquired by Knight-Ridder Inc. in 1988. Subscribers pay an initial $45 and then are charged by the minute for access to more than 400 databases containing over 330 million records. "General news magazines use Dialog when they want to look more in detail at things like patents or biotechnology," says Rick DeTurck, director of marketing.

Finally, there's NewsNet, a service geared especially to trade magazines, with over 600 newsletters online—from aerospace and aviation to telecommunications—as well as wire services. NewsNet starter kits cost $79.95 and include two free hours online (hourly charges can reach $200) and no monthly fee for three months.

While most research editors conclude that for now, databases can't totally replace the phone for fact-checking, they say spot checks are still accomplished more satisfactorily online. "We can check something contentious or fill in missing information using our computer," says Andrea Lewis, research editor of *Mother Jones*. "There's a huge amount of information at your fingertips." ■

The Harvard Business Review eyes new publishing formula

The changes last summer at *The Harvard Business Review* are a lot more than the window-dressing of a venerable title with top names—in this case the appointment of T George Harris as editor and Laurance Allen as publisher. According to a source, the August meeting of Harvard University's board heard a motion to incorporate Harvard Business School Publishing as a separate entity.

The unit would remain a wholly-owned subsidiary of Harvard University, but it would be staffed by publishing professionals. Profits from the magazine, books, reports and video operations would go to the university. The unit has the potential to move into a highly profitable operation with annual revenues of $100 million. The proposal was expected to sail through at the university's September board meeting. The implications are enormous if other university presses emulate Harvard. "It could unshackle some of the great brand names in publishing today," says the source. —*Keith J. Kelly*

FOLIO:'S 1992 Ad Sales Salary Survey

It's been a tough year, but compensation increases still hit double digits.

By Jean Marie Angelo

"I'm working harder than ever and selling fewer pages," says one beleaguered advertising staffer. Most respondents to the ad sales compensation survey continue to lament an economy whose recovery is stalled.

Some are being squeezed from both sides. Not only have clients cut their budgets, leaving less to be spent on advertising, but some publishers have taken to trimming ad promotion budgets. "My greatest challenge has been making sure top management doesn't freak out, most often manifested by radical promotion reductions and halted expansion," comments an ad sales director on a monthly trade magazine.

It has also been tougher to get advertisers to make sustained commitments. "There are too many month-by-month orders," complains another advertising director on a monthly consumer magazine that brings in an estimated $12.5 million in ad revenue.

And the push to negotiate rates continues. Most respondents blame their competitors for fostering a "let's make a deal" mentality. Many respondents report a valiant effort to hold the line on rates, while striving to increase page volume.

For some the solution has been added-value programs that offer advertisers price reductions for volume buys, direct-mail support or other bonuses.

Top ad sales management also notes that the greatest worry this year was not over meeting page or revenue projections, but in tackling staff issues. Hiring the best salespeople, getting them trained and keeping them motivated is paramount to many directors. "With increased competition from other advertising options [broadcast and direct mail], it is key to get salespeople to think creatively."

Other respondents, however, have done well in 1992. One ad director, whose company launched two magazines this year, reports that risk-taking has paid off, but adds that "both magazines had to be profitable almost immediately. We are less willing to invest in the long-term before seeing profits."

Several report that their companies are leaning more on ancillary products to make up ad-page-revenue losses. Directories, newsletters, videos and other media are already under the purview of several respondents.

"It has been a struggle this year to garner and keep business," sums up one respondent. "We've faced rate-cutting by competitors, clients with smaller budgets—the list goes on and on. But things will turn around. I'll just keep working harder," says this determined ad manager.

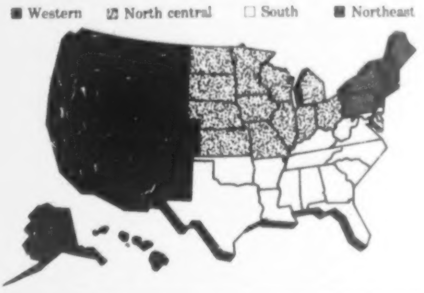
Methodology

Four hundred fifty-one of the 1,267 ad sales professionals who received questionnaires responded to FOLIO:'s seventh annual Ad Sales Salary Survey, resulting in an overall response rate of 35.6 percent. Four hundred nine responses contained sufficient information to be used for tabulation. The survey was conducted through two mailing efforts in May of this year. Participants were asked to supply data reflecting 1992 earnings; if exact figures were unavailable, they were asked to give estimates.

In some cases, respondents did not give an exact bonus figure, but gave an expected range instead. In these cases the mean was used for tabulation.

The sample was evenly divided among the four professional categories surveyed. In each professional category the sample was also evenly divided between trade and consumer magazines. Overall, two-thirds of the ad director, ad manager and salesperson sub-sample groups were made up of professionals who work on magazines whose circulations are lower than 100,000. The remaining one-third work on magazines with circulations larger than 100,000. In the ad branch/regional/category manager group, no circulation split was made.

The regions have been divided as follows:



Ad sales director: Total compensation

Advertising sales director (in some cases may have the title of publisher): top ad sales executive; manages ad sales department; sets policies and procedures; is responsible for reaching goals and quotas; hires and trains personnel.

Average total compensation†

(The number of respondents is in parentheses.)

		% increase from '91 to '92
All respondents	$ 90,208 (89)	15.2%
Business	$ 91,434 (49)	16.4
Consumer	$ 88,705 (40)	13.8
Top one-third	$137,310 (29)	
Middle one-third	$ 85,127 (30)	
Bottom one-third	$ 49,756 (30)	

	Average total compensation	Business total compensation	Consumer total compensation
By region:			
Northeast	$111,303 (33)	$114,656 (16)	$108,147 (17)
South	85,024 (21)	82,321 (14)	90,429 (7)
North central	71,984 (14)	76,078 (10)	61,750 (4)
West	73,826 (19)	81,389 (9)	67,020 (10)
By sex:			
Male	$ 94,538 (60)	$101,237 (35)	$ 85,160 (25)
Female	80,756 (28)	66,927 (14)	94,586 (14)
By age:			
Up to 29	$ 66,650 (10)	$ 51,625 (4)	$ 76,667 (6)
30-39	96,744 (41)	101,740 (20)	91,986 (21)
40 or older	89,355 (38)	89,559 (25)	88,962 (13)
By years in ad sales:			
Up to 3	$ 68,407 (14)	$ 69,500 (9)	$ 66,440 (5)
4-10	90,988 (36)	98,373 (19)	82,735 (17)
More than 10	97,768 (38)	94,557 (21)	101,735 (17)
By employees supervised:			
None/one	$ 67,833 (9)	$ 74,825 (4)	$ 62,240 (5)
2-5	77,438 (32)	84,500 (17)	69,433 (15)
6-10	88,936 (28)	92,353 (19)	81,722 (9)
More than 10	122,210 (18)	117,473 (8)	126,000 (10)
By ad revenue:*			
Up to $999,999	$ 69,833 (24)	$ 65,908 (13)	$ 74,473 (11)
$1 million - $2,999,999	71,229 (24)	78,000 (12)	64,458 (12)
$3 million - $7,999,999	106,428 (21)	98,391 (14)	122,500 (7)
$8 million or more	132,846 (13)	153,571 (7)	108,667 (6)
By ad pages:*			
Up to 499	$ 70,665 (38)	$ 67,170 (21)	$ 74,982 (17)
500-999	99,668 (25)	98,267 (12)	100,962 (13)
1,000 or more	116,075 (20)	122,625 (12)	106,250 (8)
By frequency:*			
Weekly	$ 89,231 (16)	$102,791 (11)	$ 59,400 (5)
Biweekly/twice monthly	98,604 (51)	92,099 (28)	106,522 (23)
Monthly	70,300 (20)	77,080 (10)	63,520 (10)
By circulation:*			
Up to 19,999	$ 67,100 (12)	$ 69,800 (10)	$ 53,600 (2)
20,000-49,999	71,783 (23)	72,313 (16)	70,571 (7)
50,000-99,999	116,583 (12)	127,667 (9)	83,333 (3)
100,000-499,999	93,481 (26)	109,700 (10)	83,344 (16)
500,000 or more	119,440 (12)	84,390 (2)	126,450 (10)

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†Salary plus bonus/commission; excludes people receiving salary only.
***Refers to the largest revenue-producing magazine on which respondent works.**

Responsibility is rewarded. The ad directors who supervise more than 10 employees earn almost twice as much as those who have no staffers reporting to them. The majority of the directors surveyed have staffs of two to five employees.

Ad sales director

Average base salaries:

All respondents	$60,259 (106)
Business	$59,167 (58)
Consumer	$62,144 (47)
Northeast	$74,538 (37)
South	$50,656 (24)
North central	$49,109 (21)
West	$55,262 (21)
Female	$55,032 (35)
Male	$62,804 (70)

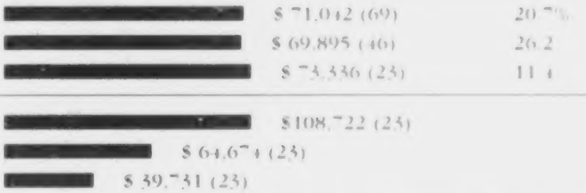
Branch/regional/category manager: Total compensation

Branch regional category manager: responsible for selling ad pages to accounts from specific categories (liquor, tobacco, cosmetics, etc.), or to accounts in specific regions. May supervise some staff.

Experience counts. Branch, regional or category managers with more than 10 years of experience get salaries twice that of peers with three years or less on the job.

Average total compensation†

(The number of respondents is in parentheses.)



		% increase from '91 to '92
All respondents	$ 71,042 (69)	20.7%
Business	$ 69,895 (46)	26.2
Consumer	$ 73,336 (23)	11.4
Top one-third	$108,722 (23)	
Middle one-third	$ 64,674 (23)	
Bottom one-third	$ 39,731 (23)	

	Average total compensation	Business total compensation	Consumer total compensation
By region:			
Northeast	$82,049 (27)	$92,471 (14)	$70,825 (13)
South	56,482 (11)	58,663 (8)	50,667 (3)
North central	58,699 (16)	58,699 (16)	0 (0)
West	75,073 (15)	64,013 (8)	87,714 (7)
By sex:			
Male	$79,287 (38)	$82,058 (24)	$74,536 (14)
Female	60,936 (31)	56,626 (22)	71,470 (9)
By age:			
Up to 29	$44,184 (11)	$40,475 (8)	$54,077 (3)
30-39	65,545 (40)	66,918 (27)	62,692 (13)
40 or older	99,672 (18)	98,600 (11)	101,357 (7)
By years in ad sales:			
Up to 3	$43,872 (15)	$42,544 (13)	$52,500 (2)
4-10	67,231 (33)	68,942 (19)	64,909 (14)
More than 10	96,438 (21)	96,586 (14)	96,143 (7)
By employees supervised:			
None	$72,985 (35)	$72,637 (29)	$74,667 (6)
One to 5	72,485 (13)	74,383 (6)	70,857 (7)
By ad revenue:*			
Up to $999,999	$50,221 (11)	$41,587 (8)	$73,244 (3)
$1 million - $2,999,999	56,469 (13)	57,060 (10)	54,500 (3)
$3 million - $7,999,999	86,318 (22)	87,417 (18)	81,375 (4)
$8 million or more	80,818 (11)	88,500 (4)	76,429 (7)
By ad pages:*			
Up to 499	$62,267 (20)	$59,282 (11)	$65,915 (9)
500-999	60,016 (17)	55,815 (12)	70,100 (5)
1,000 or more	93,412 (17)	101,818 (11)	78,000 (6)
By frequency:*			
Weekly	$72,662 (8)	$72,662 (8)	$ 0 (0)
Biweekly twice monthly	72,300 (46)	67,812 (33)	83,692 (13)
Monthly	63,449 (13)	69,025 (4)	60,970 (9)
By circulation:*			
Up to 19,999	$36,793 (3)	$36,793 (3)	$ 0 (0)
20,000-49,999	56,700 (13)	56,700 (13)	0 (0)
50,000-99,999	76,347 (19)	78,478 (18)	38,000 (1)
100,000-499,999	63,879 (18)	66,514 (7)	62,203 (11)
500,000 or more	89,500 (13)	85,000 (3)	91,450 (10)

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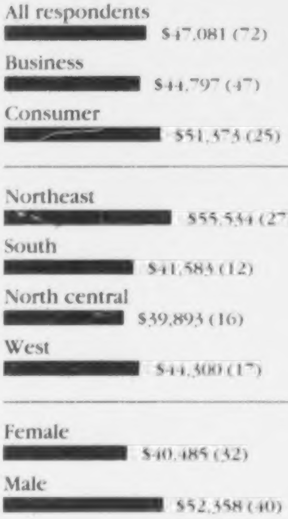
†Salary plus bonus/commission; excludes people receiving salary only.

*Refers to the largest revenue-producing magazine on which respondent works.

Branch/regional/category manager

Average base salaries:



All respondents	$47,081 (72)
Business	$44,797 (47)
Consumer	$51,373 (25)
Northeast	$55,534 (27)
South	$41,583 (12)
North central	$39,893 (16)
West	$44,300 (17)
Female	$40,485 (32)
Male	$52,358 (40)

Ad sales manager: Total compensation

Ad sales manager: generally the second level of management in ad sales department; reports to director or publisher; has management but not policy responsibility for personnel within the department.

The Northeast is still the place to be to make big money. The ad sales managers in the Northeast take home more than $100,000 in total compensation. Ad managers in the western states are in second place with total earnings of $67,714.

Average total compensation†

(The number of respondents is in parentheses.)

		% increase from '91 to '92
All respondents	$ 76,735 (78)	17.9%
Business	$ 78,090 (37)	20.7
Consumer	$ 78,051 (39)	16.4
Top one-third	$121,462 (26)	
Middle one-third	$ 70,304 (26)	
Bottom one-third	$ 38,440 (26)	

	Average total compensation	Business total compensation	Consumer total compensation
By region:			
Northeast	$106,212 (26)	$105,308 (13)	$112,958 (12)
South	51,413 (15)	44,783 (6)	60,938 (8)
North central	58,958 (13)	66,556 (8)	46,800 (5)
West	67,714 (22)	70,744 (9)	65,615 (13)
By sex:			
Male	$ 82,643 (40)	$ 86,089 (19)	$ 81,650 (20)
Female	70,612 (37)	69,803 (17)	74,263 (19)
By age:			
Up to 29	$ 45,204 (12)	$ 46,990 (5)	$ 43,929 (7)
30-39	83,349 (45)	78,900 (23)	88,000 (22)
40 or older	80,581 (21)	93,300 (9)	80,050 (10)
By years in ad sales:			
Up to 3	$ 43,466 (16)	$ 50,994 (8)	$ 38,929 (7)
4-10	79,411 (37)	80,247 (19)	80,971 (17)
More than 10	93,074 (23)	95,670 (10)	97,077 (13)
By employees supervised:			
None/one	$ 54,037 (26)	$ 62,842 (13)	$ 48,727 (11)
2-5	82,182 (33)	85,094 (16)	79,441 (17)
6-10	107,171 (14)	92,566 (6)	118,125 (8)
By ad revenue:*			
Up to $999,999	$ 53,668 (28)	$ 52,525 (8)	$ 57,250 (18)
$1 million - $2,999,999	77,902 (21)	74,458 (13)	83,500 (8)
$3 million - $7,999,999	79,746 (13)	76,855 (9)	86,250 (4)
$8 million or more	120,650 (10)	115,250 (4)	124,250 (6)
By ad pages:*			
Up to 499	$ 54,635 (27)	$ 66,638 (12)	$ 47,962 (13)
500-999	87,591 (22)	78,200 (10)	95,417 (12)
1,000 or more	109,111 (18)	108,722 (9)	109,500 (9)
By frequency:*			
Weekly	$ 90,654 (11)	$ 89,742 (7)	$ 92,250 (4)
Biweekly/twice monthly	81,841 (40)	80,793 (21)	86,778 (18)
Monthly	62,000 (26)	62,722 (9)	63,156 (16)
By circulation:*			
Up to 19,999	$ 56,620 (10)	$ 67,457 (7)	$ 39,500 (2)
20,000-49,999	58,497 (16)	60,095 (10)	55,833 (6)
50,000-99,999	82,158 (19)	99,278 (9)	70,056 (9)
100,000-499,999	75,176 (21)	70,300 (9)	78,833 (12)
500,000 or more	111,958 (12)	145,000 (2)	105,350 (10)

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†Salary plus bonus/commission; excludes people receiving salary only.

***Refers to the largest revenue-producing magazine on which respondent works.**

Ad sales manager

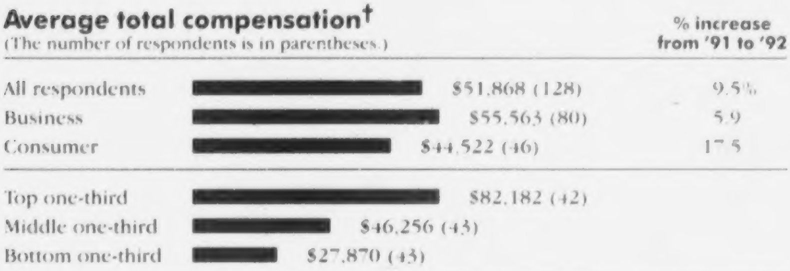
Average base salaries:

All respondents	$44,555 (94)
Business	$42,089 (45)
Consumer	$48,163 (47)
Northeast	$61,452 (28)
South	$30,647 (19)
North central	$38,321 (21)
West	$39,644 (24)
Female	$39,532 (48)
Male	$49,636 (45)

Ad salesperson: Total compensation

Advertising salesperson (may be called account executive): calls on clients and agencies; makes presentations; maintains current accounts; develops new accounts.

Although total compensation for ad salespeople on consumer titles is up 17.5 percent in 1992, this group earns 20 percent less than those on business magazines.



	Average total compensation	Business total compensation	Consumer total compensation
By region:			
Northeast	$59,714 (39)	$59,361 (27)	$60,508 (12)
South	44,756 (25)	47,650 (16)	39,611 (9)
North central	45,205 (38)	52,408 (24)	32,857 (14)
West	55,340 (25)	61,008 (12)	45,945 (11)
By sex:			
Male	$54,976 (65)	$59,094 (47)	$44,225 (18)
Female	48,660 (63)	50,535 (33)	44,712 (28)
By age:			
Up to 29	$42,617 (49)	$41,248 (31)	$41,621 (17)
30-39	56,360 (55)	66,768 (31)	42,869 (23)
40 or older	61,479 (23)	62,326 (17)	59,076 (6)
By years in ad sales:			
Up to 3	$42,005 (49)	$44,697 (30)	$34,186 (18)
4-10	53,773 (58)	58,138 (34)	47,745 (23)
More than 10	72,261 (19)	74,175 (14)	66,900 (5)
By employees supervised:			
None	$49,295 (101)	$51,521 (62)	$44,284 (37)
One to 5	52,088 (8)	60,500 (2)	49,283 (6)
By ad revenue:*			
Up to $999,999	$39,481 (27)	$41,363 (16)	$36,745 (11)
$1 million - $2,999,999	49,007 (33)	52,867 (23)	40,129 (10)
$3 million - $7,999,999	57,647 (33)	59,427 (26)	51,036 (7)
$8 million or more	77,155 (11)	88,175 (4)	65,667 (6)
By ad pages:*			
Up to 499	$45,473 (32)	$45,898 (23)	$44,389 (9)
500-999	55,543 (35)	59,456 (27)	42,338 (8)
1,000 or more	57,758 (35)	65,150 (18)	46,678 (16)
By frequency:*			
Weekly	$42,492 (26)	$51,841 (17)	$24,833 (9)
Biweekly twice monthly	53,859 (84)	56,022 (53)	48,433 (30)
Monthly	58,038 (16)	61,900 (9)	53,071 (7)
By circulation:*			
Up to 19,999	$43,773 (15)	$43,685 (13)	$44,350 (2)
20,000-49,999	41,261 (29)	44,533 (24)	25,551 (5)
50,000-99,999	52,191 (34)	61,808 (20)	38,454 (14)
100,000-499,999	63,896 (27)	69,105 (19)	51,524 (8)
500,000 or more	56,195 (19)	73,900 (3)	49,600 (15)

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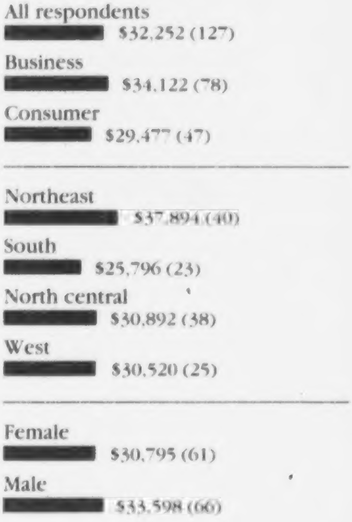
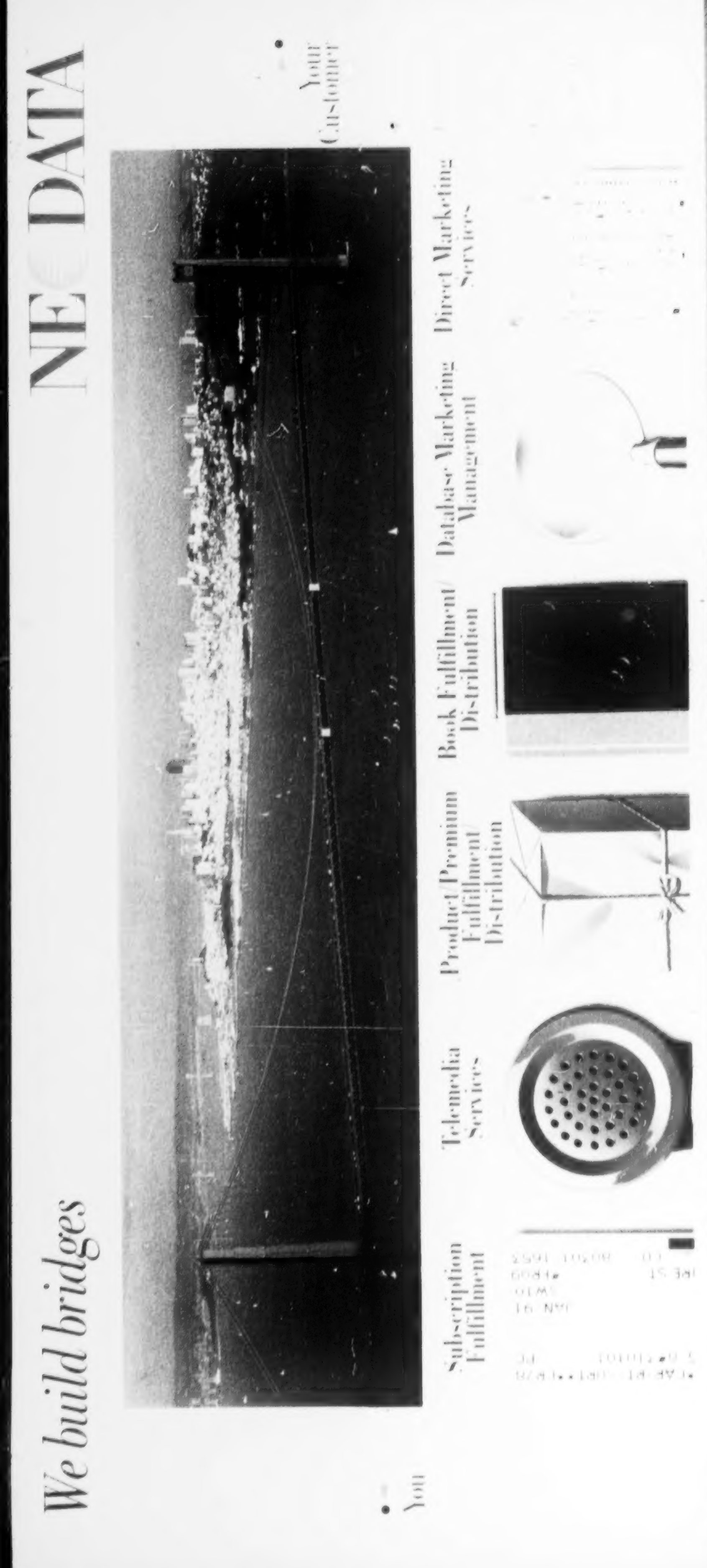
†Salary plus bonus/commission; excludes people receiving salary only.
***Refers to the largest revenue-producing magazine on which respondent works.**

Ad salesperson

Average base salaries:

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Folio:

Special Source Book Issue for 1993

Folio:'s annual publishing resource and suppliers guide

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Folio: Special Source Book Issue for 1993

Vol. 21, No. 10

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Circulation Leaders

Top 100 ABC- and BPA-audited magazines by total circulation

Magazine	1991 Circ	1990 Circ	% Chg
Modern Maturity	22,450,003	22,430,894	+ 0.1
NRTA/AARP Bulletin	22,270,390	22,103,887	+ 0.8
Reader's Digest	16,269,637	16,264,547	0.0
TV Guide	15,053,018	15,604,267	- 3.5
National Geographic Magazine	9,763,406	10,189,703	- 4.2
Better Homes and Gardens	8,002,794	8,007,222	- 0.1
The Cable Guide	6,951,677	10,822,613	-35.8
Good Housekeeping	5,188,919	5,152,521	+ 0.7
McCall's	5,066,849	5,020,127	+ 0.9
⑩ **Ladies' Home Journal**	**5,065,135**	**5,001,739**	**+ 1.3**
Family Circle	5,065,131	5,431,779	- 6.8
Woman's Day	4,619,505	4,802,842	- 3.8
Time	4,073,530	4,094,935	- 0.5
Redbook	3,860,294	3,907,221	- 1.2
National Enquirer	3,758,964	3,803,607	- 1.2
Playboy	3,547,165	3,488,006	+ 1.7
People Weekly	3,380,832	3,208,668	+ 5.4
Sports Illustrated	3,297,493	3,220,016	+ 2.4
Newsweek	3,224,770	3,211,958	+ 0.4
⑳ **Prevention**	**3,204,583**	**3,022,108**	**+ 6.0**
Star	3,102,026	3,431,453	- 9.6
The American Legion Magazine	2,935,379	2,956,342	- 0.7
AAA World	2,800,733	2,573,424	+ 8.8
Cosmopolitan	2,741,802	2,600,971	+ 5.4
Southern Living	2,361,076	2,341,074	+ 0.9
U.S. News & World Report	2,237,009	2,311,534	- 3.2
Smithsonian	2,140,349	2,234,706	- 4.2
Glamour	2,081,212	2,156,157	- 3.5
V.F.W. Magazine	2,063,354	2,013,361	+ 2.5
㉚ **NEA Today**	**2,034,846**	**1,978,641**	**+ 2.8**
Motorland	2,022,412	1,957,583	+ 3.3
Field & Stream	2,002,732	2,016,298	- 0.7
Money	1,933,864	1,915,053	+ 1.0
Home & Away	1,881,346	1,877,949	+ 0.2
Seventeen	1,851,665	1,772,362	+ 4.5
Ebony	1,844,973	1,810,668	+ 1.9
Country Living	1,839,065	1,803,867	+ 2.0
Popular Science	1,837,026	1,807,540	+ 1.6
Life	1,815,916	1,844,482	- 1.5
㊵ **First For Women**	**1,764,430**	**2,649,810**	**-33.4**
Parents Magazine	1,752,474	1,743,424	+ 0.5
Discovery	1,677,022	1,644,044	+ 2.0
Popular Mechanics	1,639,033	1,651,064	- 0.7
Adventure Road	1,523,853	1,493,624	+ 2.0
Outdoor Life	1,502,818	1,512,464	- 0.6
Sunset	1,491,509	1,409,587	+ 5.8
Soap Opera Digest	1,447,483	1,447,041	0.0
The Elks Magazine	1,442,326	1,472,652	- 2.1
Golf Digest	1,421,797	1,357,433	+ 4.7

Once again, *Modern Maturity* heads the list of magazines with the highest paid total circulation. The split between gainers and losers is fairly evenly divided this year, with slightly more than 50 percent of the top 100 titles posting increases in circulation.

Magazine	1991 Circ	1990 Circ	% Chg
Penthouse	**1,390,919**	**1,612,574**	**-13.8**
New Woman	1,350,392	1,340,540	+ 0.7
Video Event	1,330,533	—	+21.1
Boys' Life	1,299,061	1,357,173	- 4.3
The American Rifleman	1,296,027	1,378,042	- 5.9
Woman's World	1,279,280	1,505,312	-15.0
Us	1,271,055	1,326,410	- 4.2
Bon Appetit	1,255,006	1,397,559	-10.2
Vogue	1,252,566	1,215,767	+ 3.0
Globe	1,237,822	1,160,202	+ 6.7
Rolling Stone	**1,229,525**	**1,229,280**	**0.0**
Mademoiselle	1,206,175	1,178,116	+ 2.4
Self	1,201,375	1,100,897	+ 9.1
The American Hunter	1,178,462	1,226,402	- 3.9
Sesame Street Magazine	1,162,236	1,249,565	- 7.0
Teen	1,155,800	1,175,037	- 1.6
Discover	1,124,115	1,121,894	+ 0.2
Kiplinger's Personal Finance Magazine	1,121,072	1,139,738	- 1.6
Golf Magazine	1,116,786	1,088,999	+ 2.5
Travel & Leisure	1,100,398	1,117,412	- 1.5
The Workbasket	**1,095,119**	**1,215,175**	**- 9.9**
Country Home	1,091,976	1,029,342	+ 6.1
The Family Handyman	1,076,905	1,331,696	-19.1
Home Mechanix	1,043,896	1,215,178	-14.1
Car and Driver	1,024,964	959,395	+ 6.8
YM	1,009,465	1,008,522	+ 0.1
Business Week (Worldwide)	1,002,349	1,000,860	+ 0.2
Weight Watchers Magazine	1,001,484	1,020,248	- 1.8
Scouting	998,003	980,638	+ 1.8
Jet	992,014	968,545	+ 2.4
Vanity Fair	**991,178**	**789,820**	**+25.5**
Cooking Light	960,131	924,499	+ 3.8
House Beautiful	954,455	985,129	- 3.1
Home	948,925	942,159	+ 0.7
Elle	897,234	836,556	+ 7.3
Consumers Digest	888,735	873,704	+ 1.7
Business Week (North America)	887,150	890,094	- 0.3
Working Woman	883,060	894,283	- 1.3
Sport	880,221	925,984	- 4.9
Gourmet	871,950	899,549	- 3.1
PC Magazine	**870,052**	**786,041**	**+10.7**
Victoria	868,627	805,983	+ 7.8
Essence	868,504	850,607	+ 2.1
Nation's Business	859,340	860,120	- 0.1
Hot Rod	853,127	876,938	- 2.7
Motor Trend	852,888	892,930	- 4.5
Organic Gardening	851,287	1,034,842	-17.7
Popular Photography	851,039	911,117	- 6.6
American Health-Fitness of Body and Mind	847,246	806,172	+ 5.1
Endless Vacation	840,981	798,531	+ 5.3
American Legion Auxiliary National News	**837,204**	**826,338**	**+ 1.3**

ABC Fas Fax and BPA Consumer Trend Report on Audited Circulation. Based on circulation averages of consumer magazines with at least 70 percent paid circulation for the six months ended December 31, 1991

Subscription Leaders

Top 50 ABC- and BPA-audited magazines by subscription circulation

Magazine	1991 Circ	1990 Circ	% Chg
Modern Maturity	22,450,003	22,430,894	+ 0.1
NRTA/AARP Bulletin	22,270,390	22,103,887	+ 0.8
Reader's Digest	15,250,137	15,371,047	- 0.8
National Geographic	9,679,566	10,101,416	- 4.2
TV Guide	8,594,781	8,725,551	- 1.5
Better Homes and Gardens	7,476,461	7,491,389	- 0.2
The Cable Guide	6,951,677	10,822,613	-35.8
McCall's	4,472,385	4,587,013	- 2.5
Ladies' Home Journal	4,217,468	4,041,010	+ 4.4
⑩ **Time**	**3,869,834**	**3,889,431**	**- 0.5**
Good Housekeeping	3,787,373	3,732,831	+ 1.5
Sports Illustrated	3,175,568	3,115,897	+ 1.9
Redbook	3,169,119	3,165,359	+ 0.1
Newsweek	3,047,290	3,029,705	+ 0.6
The American Legion Magazine	2,935,379	2,956,342	- 0.7
AAA World	2,800,733	2,573,424	+ 8.8
Prevention	2,770,386	2,670,321	+ 3.8
Playboy	2,697,948	2,671,715	+ 1.0
Family Circle	2,256,418	2,375,087	- 5.0
⑳ **U.S. News & World Report**	**2,169,013**	**2,229,905**	**- 2.7**
Southern Living	2,164,159	2,175,975	- 0.5
Smithsonian	2,129,580	2,219,450	- 4.1
V.F.W. Magazine	2,063,354	2,013,361	+ 2.5
NEA Today	2,034,846	1,978,641	+ 2.8
Motorland	2,022,412	1,957,583	+ 3.3
Field & Stream	1,925,629	1,932,530	- 0.4
Home & Away	1,881,346	1,877,949	+ 0.2
Discovery	1,677,022	1,644,044	+ 2.0
Popular Science	1,636,859	1,606,207	+ 1.9
㉚ **People Weekly**	**1,613,528**	**1,476,860**	**+ 9.3**
Parents Magazine	1,583,254	1,585,756	- 0.2
Ebony	1,560,202	1,541,490	+ 1.2
Adventure Road	1,523,853	1,493,624	+ 2.0
The Elks Magazine	1,442,326	1,472,652	- 2.1
Outdoor Life	1,418,691	1,420,578	- 0.1
Sunset	1,393,635	1,320,826	+ 5.5
Popular Mechanics	1,363,609	1,382,449	- 1.4
Seventeen	1,361,839	1,317,445	+ 3.4
Video Event	1,330,533	—	+21.1
㊵ **Life**	**1,329,239**	**1,285,790**	**+ 3.4**
Boys' Life	1,299,061	1,357,173	- 4.3
The American Rifleman	1,296,027	1,378,042	- 5.9
Golf Digest	1,274,986	1,222,370	+ 4.3
Woman's Day	1,244,380	1,039,595	+19.7
Country Living	1,196,018	1,185,299	+ 0.9
The American Hunter	1,178,462	1,226,402	- 3.9
Sesame Street Magazine	1,162,236	1,249,565	- 7.0
Bon Appetit	1,141,921	1,291,976	-11.6
Travel & Leisure	1,082,872	1,101,697	- 1.7
㊿ **Kiplinger's Personal Finance Magazine**	**1,076,231**	**1,109,295**	**- 3.0**

Totals are up for about half of the 50 consumer magazines with the highest subscription circulation for 1991, although of the top 10 leaders, only three show subscription gains compared to the previous six-month period.

Source: ABC Fas Fax and BPA Consumer Trend Report on Audited Circulation. Based on circulation averages of consumer magazines with at least 70 percent paid circulation for the six months ended December 31, 1991.

Newsstand Leaders

Top 50 ABC- and BPA-audited magazines by single copy sales

Magazine	1991 Circ	1990 Circ	% Chg
TV Guide	6,458,237	6,878,716	- 6.1
National Enquirer	3,390,837	3,418,536	- 0.8
Woman's Day	3,375,125	3,763,247	-10.3
Family Circle	2,808,713	3,056,692	- 8.1
Star	2,792,823	2,974,980	- 6.1
Cosmopolitan	2,103,870	2,041,219	+ 3.1
People Weekly	1,767,304	1,731,808	+ 2.0
First For Women	1,764,430	2,649,810	-33.4
Good Housekeeping	1,401,546	1,419,690	- 1.3
⑩ **Woman's World**	**1,279,280**	**1,505,312**	**-15.0**
Globe	1,189,325	1,112,500	+ 6.9
Glamour	1,114,861	1,201,690	- 7.2
Penthouse	1,089,390	1,300,907	-16.3
Reader's Digest	1,019,500	893,500	+14.1
Soap Opera Digest	954,413	1,034,646	- 7.8
Playboy	849,217	816,291	+ 4.0
Ladies' Home Journal	847,667	960,729	-11.8
Vogue	751,356	720,876	+ 4.2
National Examiner	735,080	759,983	- 3.3
⑳ **National Enquirer/Star Special Editions**	**705,671**	—	—
Weekly World News	697,575	790,409	-11.8
Redbook	691,175	741,862	- 6.8
Country Living	643,047	618,568	+ 4.0
McCall's	594,464	433,114	+37.3
Mademoiselle	580,080	675,344	-14.1
New Woman	571,868	627,693	- 8.9
Us	544,526	390,641	+39.4
Self	536,186	497,047	+ 7.9
Better Homes and Gardens	526,333	515,833	+ 2.0
㉚ **Soap Opera Weekly**	**507,131**	**437,536**	**+15.9**
Shape Magazine	503,159	440,694	+14.2
Muscle & Fitness	501,382	479,206	+ 4.6
Seventeen	489,826	454,917	+ 7.7
Life	486,677	558,692	-12.9
Pillsbury Classic Cookbooks	450,101	418,098	+ 7.7
Prevention	434,197	351,787	+23.4
Elle	385,125	377,701	+ 2.0
Vanity Fair	368,998	282,035	+30.8
WWF Magazine	368,031	306,455	+20.1
㊵ **Gentlemen's Quarterly**	**353,024**	**334,719**	**+ 5.5**
Money	344,067	287,110	+19.8
Sun	342,004	373,665	- 8.5
YM	321,660	239,500	+34.3
Teen	310,226	309,779	+ 0.1
Country Home	310,000	273,667	+13.3
Ebony	284,771	269,178	+ 5.8
Popular Mechanics	275,424	268,615	+ 2.5
Modern Bride	270,325	251,547	+ 7.5
Easyriders	255,242	208,707	+22.3
㊿ **Rolling Stone**	**254,564**	**315,225**	**-19.2**

While just two of the first 10 magazines show newsstand increases over the previous audit period, many of the remaining magazines have dramatic boosts in single copy sales: *McCall's* and *Us*, for example, have newsstand circulation gains of almost 40 percent.

Source: ABC Fas Fax and BPA Consumer Trend Report on Audited Circulation. Based on circulation averages of consumer magazines with at least 70 percent paid circulation for the six months ended December 31, 1991.

Circulation Gainers

20 ABC- and BPA-audited magazines with highest percentage increases in total circulation

Magazine	% Inc	'91 Circ	'90 Circ
Men's Health	92.1	479,915	249,815
Wildbird	73.2	138,041	79,691
Sport Truck	72.7	151,921	87,957
Entertainment Weekly	60.8	743,192	462,224
Details	54.7	185,228	119,746
Texas Fish & Game	52.0	100,839	66,334
Mirabella	51.1	560,563	370,881
Mountain Bike Action	45.7	93,009	63,833
In Health	38.1	732,995	530,657
PC Sources	35.0	197,734	146,455
North American Hunter	33.1	313,719	235,752
Creative Classroom	32.1	185,952	140,783
Stock Car Racing	30.1	150,160	115,413
Elle Decor	30.1	254,637	195,715
Low Rider Magazine	28.5	117,583	91,485
Horse & Rider	28.1	146,978	114,768
Vanity Fair	25.5	991,178	789,820
Game & Fish Magazine	25.3	426,411	340,351
Sassy	25.2	681,237	544,164
Velonews	24.4	38,399	30,863

Circulation Losers

20 ABC- and BPA-audited magazines with highest percentage decreases in total circulation

Magazine	% Inc	'91 Circ	'90 Circ
Super Teen	61.8	78,891	206,711
Teen Machine	58.8	54,892	133,324
The Big Bopper	54.4	121,856	267,396
Bop	54.4	126,114	255,106
Teen Beat	43.1	146,465	257,388
Golden Years	38.2	157,690	310,736
The Cable Guide	35.8	6,951,677	10,822,613
First For Women	33.4	1,764,430	2,649,810
Women's Sports & Fitness	31.5	164,598	240,194
European Car	30.9	55,792	80,742
Mother Jones	28.8	117,596	165,258
TV Crosswords	24.5	212,561	281,437
Orange Coast Magazine	24.0	19,715	25,931
Circus Magazine	23.1	141,491	184,026
Yankee	22.4	776,527	1,000,784
Pacific Northwest	20.7	76,711	96,738
St. Louis Magazine, Inc.	19.3	26,760	33,154
The Family Handyman	19.1	1,076,905	1,331,696
Performance Horseman	18.5	28,806	35,353
I Love Cats	18.4	151,175	185,159

***Men's Health* practically doubled its total circulation since the last audit period, while two of the other titles increased their circulation by more than 70 percent. At the other end of the spectrum, the biggest percentage losers for the comparable period appear to be teen magazines, with a number of titles among the 10 highest percentage decreases in total circulation.**

Source: ABC Fas Fax and BPA Consumer Trend Report on Audited Circulation. Based on circulation averages of consumer magazines with at least 70 percent paid circulation for the six months ended December 31, 1991. (Magazines with circulations averaging less than 10,000 are not included in the table.)

Subscription Gainers

20 ABC- and BPA-audited magazines with highest percentage increases in subscription circulation

Magazine	% Inc	'91 Circ	'90 Circ
Soap Opera Weekly	161.4	21,866	8,366
Modern Bride	147.4	73,708	29,799
Men's Health	108.2	352,272	169,176
Sport Truck	104.4	98,223	48,049
Mirabella	87.6	404,263	215,548
Pillsbury Classic Cookbooks	79.6	80,242	44,678
Wildbird	77.1	133,753	75,515
Entertainment Weekly	66.5	693,554	416,623
Videomaker	57.8	43,929	27,835
Texas Fish & Game	52.7	91,617	60,000
Mountain Bike Action	47.9	21,222	14,349
Spin	45.3	208,344	143,370
Details	43.3	79,433	55,451
PC Sources	43.0	82,082	57,419
Game & Fish Magazine	42.0	324,475	228,457
Elle Decor	40.9	214,037	151,935
In Health	40.3	715,321	509,855
Velonews	37.7	26,210	19,037
Sassy	34.2	550,772	410,305
North American Hunter	33.1	313,719	235,752

Subscription Losers

20 ABC- and BPA-audited magazines with highest percentage decreases in subscription circulation

Magazine	% Inc	'91 Circ	'90 Circ
Bop	45.1	18,818	34,297
Golden Years	38.2	157,690	255,106
Mother Jones	35.9	93,893	146,568
The Cable Guide	35.8	6,951,677	10,822,613
Women's Sports & Fitness	33.9	156,536	236,841
Star	32.3	309,203	456,473
Teen Beat	24.1	43,762	57,661
Yankee	23.5	724,951	947,433
Us	22.4	726,529	935,769
St. Louis Magazine, Inc.	22.1	21,415	27,503
Pacific Northwest	22.0	67,979	87,173
The Family Handyman	21.3	999,168	1,268,833
European Car	21.3	21,775	27,680
Orange Coast Magazine	20.9	15,844	20,041
I Love Cats	20.5	147,154	185,159
Mustang & Fords	19.4	43,876	54,417
Unique Homes	18.9	26,349	32,480
Organic Gardening	18.1	834,990	1,020,134
Career Pilot	18.1	14,688	17,940
World Monitor	16.5	219,322	262,794

Comparing the 20 top percentage gains in subscription circulation with the 20 highest subscription percentage decreases shows that increases are a bit more impressive—with four magazines more than doubling their subscription circulation and half of the 20 titles increasing subscription circulation by more than 50 percent.

Source: ABC Fas Fax and BPA Consumer Trend Report on Audited Circulation. Based on circulation averages of magazines with at least 70 percent paid circulation for the six months ended December 31, 1991. (Magazines with subscription circulations averaging less than 10,000 are not included in the table.)

Newsstand Gainers

20 ABC- and BPA-audited magazines with highest percentage increases in single copy circulation

Magazine	% Inc	'91 Circ	'90 Circ
Flower and Garden	198.6	59,713	20,000
Sierra	173.6	20,918	7,646
Vision—The Inter-American Magazine	116.2	30,096	16,699
Traveler	99.6	15,192	7,610
Workbench	85.3	74,106	40,000
The Workbasket	76.7	49,089	27,779
Details	64.6	105,795	64,295
Men's Health	58.3	127,643	80,639
Country Music	50.7	22,991	15,256
Kiplinger's Personal Finance Magazine	47.3	44,841	30,443
The Walking Magazine	47.3	34,141	23,182
Mountain Bike Action	45.1	71,787	49,484
PC/Computing	43.0	107,065	74,878
MacUser	39.6	81,754	58,565
Us	39.4	544,526	390,641
Sport Truck	34.5	53,698	39,908
YM	34.3	321,660	239,500
American Health-Fitness of Body and Mind	33.6	65,275	48,857
American Photo	31.7	56,000	42,533
Stock Car Racing	31.5	54,421	41,380

Newsstand Losers

20 ABC- and BPA-audited magazines with highest percentage decreases in single copy circulation

Magazine	% Inc	'91 Circ	'90 Circ
Super Teen	61.8	78,891	206,711
Teen Machine	58.8	54,892	133,324
Bop	55.7	107,296	242,157
The Big Bopper	54.6	114,695	252,630
Teen Beat	48.6	102,703	199,727
Home Mechanix	40.8	27,400	46,310
European Car	35.9	34,017	53,062
First For Women	33.4	1,764,430	2,649,810
TV Crosswords	32.7	125,300	186,222
Smithsonian	29.4	10,769	15,256
Circus Magazine	25.7	105,161	141,554
Baseball Digest	19.8	11,807	14,723
Publish!	19.7	11,705	14,585
Backpacker	19.5	41,074	51,025
Rolling Stone	19.2	254,564	315,225
House Beautiful	18.6	196,209	241,173
Alaska, the Magazine of Life on the Last Frontier	18.6	16,467	20,243
Town & Country	18.3	57,233	70,053
Four Wheeler	17.4	109,981	133,095
U.S. News & World Report	16.7	67,996	81,629

Newsstand sales may have flattened for many magazine publishers over the past several years—and judging by the biggest percentage losers, several teen titles, especially, have suffered—but the 20 magazines with the highest percentage increases in single copy sales posted some noteworthy gains, with close to half of them above the 50 percent mark.

Source: ABC Fas Fax and BPA Consumer Trend Report on Audited Circulation. Based on circulation averages of consumer magazines with at least 70 percent paid circulation for the six months ended December 31, 1991. (Magazines with single copy circulations averaging less than 10,000 are not included in the table.)

By Arthur Veverka

Outlook on Paper

Pricing and availability of coated and uncoated papers

Demand for coated and uncoated printing papers is off, capacity increases have come on-line, offshore competition has stiffened and prices are down. There is an extensive supply of virtually all grades at very competitive price levels. The prevailing pricing environment has allowed publishers to use higher quality grades of paper while maintaining control over costs.

COATED PAPER

The magazine end-use sector, represented by consumer, business, trade, comic, TV and Sunday newspaper magazines, makes up close to 38 percent of all coated paper usage. If we consider only coated groundwood, where magazines make up slightly over 50 percent of total consumption, magazines play an even more significant role in determining demand.

Magazines consumed 3.1 million tons of coated paper in 1990, an increase of 21,000 tons from the 1989 level. However, 1991 should show a decrease by about 4 percent, and usage in 1992 should remain at about that same level. That drop-off is most directly attributable to the ad slump. Pages were down for the first six months of 1991 (over an 11 percent drop for first-half 1991 in business titles, according to MMS-Rome Reports, and a full 10 percent for Publishers Information Bureau-measured consumer magazines, year-to-date through September), and the second half shows little improvement.

While coated paper gained in popularity, increasing its share of the total magazine-paper market from 76 percent in 1989 to 79.5 percent in 1990, the longer-term trend should show a slight fall-back as interest in European paper technology grows and supercalendered paper (an uncoated grade) becomes even more accepted as an alternative.

In addition to the decline in advertising pages, the following factors also slowed demand:

- postal rate increases
- newly implemented or anticipated taxes
- a trend toward lighter basis weight
- circulation cuts to deliver more revenue per sub
- the growing use of recycled fiber

> **At a time when there is very little good news for magazine publishers, the paper industry is providing some solace.**

Lighter weights gain acceptability

Increased costs due to a 40 percent rise in postal rates and new taxes on magazines are in part driving a trend toward ultra-lightweight coated stock. In the past, few publications were printed on paper lighter than 36 or 34 pounds, but now many magazines are moving toward the 30- and 32-pound categories. These lighterweight papers are gaining acceptability as mills achieve better opacity and improved machine runnability. The major complaint of many advertisers is that the lightweight papers allow too much show-through. This in turn opens a door for supercalendered papers, since they offer the lower basis weights and less showthrough at a lower cost level.

Recycled paper

At the same time, publishers are being pressured from all sides—by the government and by their readers—to consider the use of recycled paper. Right now, though, the primary demand for recycled paper is coming from magazines that have an environmental slant.

The biggest obstacles to more extensive use of recycled paper appear to be price, lack of availability and poor quality—with price being the biggest of the hurdles. Once recycled paper becomes an attractive economic alternative, mass-market publishers will certainly look at its use more closely.

Similarly, printers' lack of experience in recycled paper printing will gradually cease to be a problem. Recycled papers' printing performance is not the same as virgin fiber sheets'. As printers' knowledge grows, use of recycled papers will increase, although it's unlikely that recycled products will have any major impact on demand for coated paper over the next two years.

Upgraded quality

Higher-quality grades will experience the highest growth rates. Offshore producers introducing new grades (such as double-coated mechanical) and superior-quality supercalendered and lightweight coated papers at competitive prices have become a real boon to North American publishers.

Because of the oversupplied market, many U.S. coated freesheet producers have also upgraded their quality and introduced new grades to boost their competitiveness. In many instances these grades feature characteristics typical of the next higher grade (for example, a #4 grade with #3 qualities), but are being marketed at the lower-grade price. Thus, even publishers working on very tight budgets may now be able to afford to take a step up in paper quality.

Supply and demand

Although demand for coated paper should increase in 1992 because it is both an election and Olympic year, it will have little impact on shipments. Purchasers' inventories increased in 1990, as many mills attempted to keep their capacity utilization up and storage space clear by pushing excess supply out to the marketplace. Thus, any increased demand will probably be satisfied by existing inventory rather than new manufacture.

The expected increase in the 1992 demand for coated paper is 715,000 tons, or almost 9 percent over 1991 levels. The increase is expected to be spread equally between coated groundwood and coated freesheet papers on a tonnage basis.

With the majority of industry-wide investment complete and the many planned expansions shelved because of the poor market conditions, the supply picture should tighten up over the next few years, although 1992 will still favor the buyer. The one certain new coated groundwood machine in the 1990s—at Boise Cascade's Rumford mill—has been delayed again, from 1993 to 1994.

With supply no longer growing, the balance between paper supply and paper demand will level out. This, coupled with increased demand driven by the Olympics, the presidential election and an improving economy, will bring the paper market back into balance.

U.S. Coated Paper Supply/Demand

(in thousands, short tons)

			Forecast	
Coated groundwood	**1990**	**1991**	**1992**	**1993**
U.S. capacity	4,398	4,553	4,596	4,628
U.S. shipments	4,214	4,190	4,445	4,560
(- Total exports)	137	150	170	185
Total U.S. imports	665	610	700	785
Total U.S. consumption/demand (Shipments - exports + imports)	4,742	4,650	4,975	5,160
U.S. capacity utilization (%) (Shipments + capacity)	95.8%	92.0%	96.7%	98.5%

			Forecast	
Coated freesheet	**1990**	**1991**	**1992**	**1993**
U.S. capacity	3,638	4,023	4,362	4,533
U.S. shipments	3,307	3,255	3,655	3,900
(- Total exports)	82	90	110	135
Total U.S. imports	272	250	260	260
Total U.S. consumption/demand (Shipments - exports + imports)	3,497	3,415	3,805	4,025
U.S. capacity utilization (%) (Shipments + capacity)	90.9%	80.9%	83.8%	86.0%

Source: Jaako Poyry Consulting; historical data and capacity information from American Paper Institute.

The supply/demand ratio is expressed as the industry operating rate (or capacity utilization). In general, the lower the percentage of capacity utilization, the better for publishers in terms of negotiating lower prices.

In 1992, publishers will probably see list prices for coated groundwood remain at around the same levels, although discounts will probably drop from 1991 by about 5 percent. The main reasons for prices being kept down are heightened competition from heavily discounted coated freesheet grades and possible ongoing pressure from offshore producers.

Coated freesheet will continue to be a bargain in 1992. While demand for grades #3 and #4 will increase, there will still be an overcapacity situation. Capacity utilization should remain in the mid-80-percentile range through 1993, holding prices to 1991 levels.

The pricing environment

At the risk of oversimplifying a complex relationship, it can generally be stated that product prices are determined—by and large—by the supply/demand ratio. This ratio, expressed as the industry operating rate (or capacity utilization) is the total shipments divided by capacity. Figures cited in the accompanying table under shipments reflect our best estimate of production output; however, some paper may be held out of the marketplace as inventory. Capacity figures represent the potential for paper production—that is, total production capability with all mills running at 100 percent of capacity.

In 1992, the pricing environment for publishers should be somewhat mixed. Coated groundwood prices in 1991 were below what was expected, with discounts of up to $140/ton (about 15 percent on average) for coated groundwood #5. Although the demand for coated groundwood will increase and no new capacity will be coming on-line, publishers will probably see list prices remain at around the same levels in 1992, although the discounts being offered will probably shrink by about 5 percent. The main reason for prices being kept down is increased competition from coated freesheet grades, which are also being heavily discounted, plus the possibility of continuing offshore competitive pressure.

Coated freesheet papers will offer an even better bargain for publishers in the following year. In 1991, suppliers offered discounts of up to 20 percent off list price for the #3 and #4 grades. While demand for these grades will increase, there will still be an overcapacity situation due to all the machines that came on-line in 1990. Capacity utilization should remain in the mid-80-percentile range through 1993. This will make meaningful price increases difficult to achieve.

The lengths to which paper suppliers are going to hold business is illustrated by the fact that an acceptable 26-pound lightweight coated groundwood paper is now on the market. This option would have been unthinkable two years ago when it was a seller's market.

U.S. Uncoated Paper Supply/Demand

(in thousands, short tons)

			Forecast	
Uncoated groundwood	**1990**	**1991**	**1992**	**1993**
U.S. capacity	1,924	1,920	1,929	1,933
U.S. shipments	1,768	1,755	1,815	1,855
(- Domestic)	1,693	1,650	1,695	1,705
(- Export to Canada)	39	45	45	50
(- Export to other)	36	60	75	100
U.S. imports	1,982	1,875	1,990	2,160
(- From Canada)	1,578	1,500	1,640	1,685
(- From all other)	404	375	350	475
U.S. consumption/demand (Shipments - exports + imports)	3,675	3,525	3,685	3,865
U.S. capacity utilization (%)	91.9%	91.4%	94.1%	96.0%

			Forecast	
Uncoated freesheet	**1990**	**1991**	**1992**	**1993**
U.S. capacity	12,145	12,717	13,104	13,158
U.S. shipments	11,478	11,405	12,010	12,240
(- Domestic)	11,245	11,120	11,660	11,815
(- Export to Canada)	165	185	200	225
(- Export to other)	68	100	150	200
U.S. imports	753	680	835	970
(- From Canada)	573	550	725	820
(- From all other)	180	130	110	150
U.S. consumption/demand (Shipments - exports + imports)	11,998	11,800	12,495	12,785
U.S. capacity utilization (%)	94.5%	89.7%	91.7%	93.0%

Source: Jaako Poyry Consulting; historical data and capacity information from American Paper Institute.

Capacity utilization rates for uncoated groundwood producers dropped in 1991, but will start climbing in 1992. Uncoated freesheet capacity utilization bottomed out in 1991. These rates, too, are expected to rise, gradually pushing prices upward.

UNCOATED PAPER

Although uncoated papers have never played a major role in serving magazine publishers' needs, their use tends to pick up during an economic slowdown. Given the improved quality of many of these grades, especially supercalendered (SC), they provide publishers with an attractive alternative from both an economic and a performance standpoint. Therefore, this market bears watching.

As with coated papers, the supply/demand balance favored the buyer throughout 1991. With the economy limping along toward recovery, the outlook is still expected to favor publishers through 1992.

In forecasting the outlook for uncoated paper, we must look at the two main grades—uncoated groundwood and uncoated freesheet—separately. From a publisher's perspective, uncoated groundwood is the more important of the two, as it comprises approximately 55 percent of the total uncoated grades used by the printing industries. SC printing papers constitute just under 25 percent of this total. A breakdown of the major end users from available data at the time this article was written shows magazines at 16 percent; inserts/fliers, 30 percent; catalogs, 12 percent; directories, 19 percent; and all other uses, 23 percent.

In the case of uncoated freesheet papers, most of the demand is driven by nonprinting applications, mainly business forms and copy paper. The printing industry accounted for just over 22 percent of uncoated freesheet paper use in 1990. Uncoated freesheet use in magazines is fairly limited, accounting for just 0.8 percent of total demand.

In a recession, uncoated use would normally rise because of cost-saving incentives. However, many magazine publishers have instead taken advantage of the glut in the coated paper market to save on paper costs. In some cases, publishers have been able to improve quality without increasing costs by switching to a lighter basis weight of higher quality. Lately, the trend has been to shift to a lower basis weight to improve margins and save on mailing costs, rather than downgrade the quality of the paper.

Total demand for uncoated groundwood was just over 3.67 million tons in 1990. We expect to see that demand drop by 150,000 tons in 1991, to 3.5 million tons, and then increase by 160,000 tons in 1992. The fall-off in 1991 reflected the recession, decreased ad expenditures and overcapacity in other paper grades.

Forces fueling SC use

The paper stock that will show the most growth in demand is SC. Although SC use for magazines fell by 3.6 percent from 1989 to 1990, we have not seen a decline in demand like the drop for coated papers.

SC papers have been the paper of choice for European magazine publishers for quite a while because of the predominance of gravure printing in Europe. In the United States, it is still too soon to tell whether these grades will replace coated groundwood in magazine production to any great extent, although consistency has improved and printers have become more confident printing on SC. Contrary to last year's predictions, SC grades did not gain any significant market share in the United States over less expensive machine-finished uncoated groundwood grades. In large part, this was because of the continued recession, which caused publishers to tighten budgets.

But because SC papers are still cheaper than coated, plain economics will prove to be the greatest force fueling increased use. In seeking less expensive, lighter-weight paper compared to coated #5 paper, publishers will naturally turn to the less costly supercalendered grades. Another incentive for publishers to increase use of SC as they move to the lighter basis weights is that there is less show-through with SC than with lightweight coated stock. And currently, SC grades are being heavily discounted in response to discounts on coated groundwood grades.

The trend has been to switch to a lower basis weight to improve margins and save on mailing costs, rather than to downgrade the quality of paper used.

Uncoated capacity

In 1990, total North American capacity for producing uncoated groundwood was about 4.0 million short tons. The total North American capacity for uncoated groundwood is expected to go up by 390,000 short tons through 1993. All of this increased capacity will come from increases in Canada's uncoated groundwood capacities. Currently, over half the total U.S. uncoated groundwood demand is met by Canadian imports.

Although there are no new uncoated groundwood machines scheduled to come on line in the United States over the next few years, a number of companies are exploring the possibility. Lake Superior Paper Industries is reportedly studying the prospect of putting in a second machine. Daishowa delayed putting in a new machine to produce directory paper at Port Angeles, Washington, because of poor economic conditions, but is putting in deinking facilities to make recycled-content directory paper. One other project put on hold was Madison's expansion of SC paper at its Madison, Maine, mill. The one new machine—Stone Consolidated at Grand'mere—will produce an SC-B grade using soft-nip calendering technology.

As the economy improves and the outlook becomes more stable, however, some of the delayed projects should start up.

North American uncoated freesheet capacity rose by 176,000 tons from 1989 to 1990. From 1990 to 1991 capacity grew by another 650,000 tons (4.7 percent).

Paper buyers will be in a very favorable position for the next couple of years. Pricing pressures on uncoated groundwood paper suppliers, in particular, will maintain publishers in an advantageous negotiating position. The lack of coated groundwood capacity, however, means that producers should be able to raise prices and improve the profitability picture for the grade beginning in mid-1992.

Although publishers' costs are increasing in many areas, paper availability and pricing remain a bright spot. Paper producers continue to improve sheet quality and to offer both lighter basis weights and cost-effective alternative grades that go a long way to helping besieged publishers hold down expenses.

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Grades and Brands of Recycled Paper

Grade/Brand	Manufacturer/ Distributor	Waste content Pre-consumer	Post-consumer	Total waste	Brightness range	Basis weights available
C1S Cover						
Envirocote C1S Cover	Federal Paper Board Co.	40%	10%	50%	—	—
Regeneration Cover	Noranda Forest Recycled	40	10	50	—	—
Renaissance Cover C1S	Noranda Forest Recycled	65	10	75	—	62.5#
Response C1S Cover	Manchester	40	10	50	80	123,137,153#
Satina	Silver Leaf Paper Corp.	40	10	50	—	7pt,8pt,10pt
Cast-coated Cover						
Kromekote 2000 Recycled	Champion	0%	50%	50%	—	—
Coated						
Record Gloss	Cordage Papers	50%	0%	50%	—	—
Sav-A-Source Coated	Future Fibers Group	45	15	60	—	80#
Coated #1						
Champion Gloss	Stora Papyrus Newton Falls	50%	0%	50%	—	80,100#
Mohawk 50/10 Gloss	Mohawk Paper Mills	50	10	60	87	80,100#
Mohawk 50/10 Matte	Mohawk Paper Mills	50	10	60	87	60-80#
Quintesence Remarque	Potlatch Corp.	50	0	50	86	80,100#
Remarque Gloss	Potlatch Corp.	50	0	50	—	—
Coated #2						
American Eagle Dull	Westvaco	40%	10%	50%	83	80-120#
American Eagle Gloss	Westvaco	40	10	50	83	80-120#
American Eagle Hi-D #2	Westvaco	40	10	50	—	—
Futura	Consolidated	50	0	50	—	80,100#
Futura Cover	Consolidated	50	0	50	—	80#
Recovery Gloss	S.D. Warren	40	10	50	84	80#
Recovery Matte	S.D. Warren	40	10	50	84	80#
St. Lawrence Gloss	Stora Papyrus Newton Falls	50	0	50	81	—
St. Lawrence Matte	Stora Papyrus Newton Falls	50	0	50	81	—
Coated #3						
American Eagle Matte	Westvaco	40%	10%	50%	83	80-120#
Conservatree Offset Enamel	Conservatree	40	10	50	81	60-100#
EPA Enamel	Glatfelter	48	2	50	82-85	70,80#
EPA Matte	Glatfelter	48	2	50	82	70,80#
ESP Gloss	Conservatree	0	75	75	81	40-80#
Eco Gloss	Provincial Papers (Abitibi)	50	10	60	81	60,70,80,100#
Envirolith Enamel	J.B. Papers	50	0	50	—	—
Evergreen Gloss	Simpson	50	0	50	84	70,80,100#
Evergreen Matte	Simpson	50	0	50	84	70,80,100#
Lotus Gloss	Japan Pulp & Paper	0	80	80	84-85	45-80#
Miraweb II	IP—Coated Paper Division	20	10	30	80	45,50,60,70,80#
Next Generation Coated Enamel	Butler Paper	45	5	50	82	70-100#
Norse Cote	Glatfelter	48	2	50	80	40-80#
ReSolve Gloss	Island Paper Mills	40	10	50	84	70,80,100#
ReSolve Matte	Island Paper Mills	40	10	50	84	70,80,100#
Sav-A-Tree Offset Enamel	Future Fibers Corp.	45	15	60	81	60,70,80,100#
Sav-A-Tree Gloss	Barber-Ellis Fine Papers	25	25	50	—	70.9,77.5,98.6#
St. Lawrence Cream Matte	Stora Papyrus Newton Falls	50	0	50	73	60-80#
Stora-Matte Recycled	Stora Papyrus Newton Falls	50	0	50	—	50,60,65,70,80,105#
Taiwan	Paper Corp. of America	50	0*	50	—	—

Grade/Brand	Manufacturer/ Distributor	Waste content			Brightness range	Basis weights available
		Pre-consumer	Post-consumer	Total waste		
Coated #4						
ESP Gloss 4	Conservatree	0%	75%	75%	74	38-40#
Echo Gloss	James River	40	10	50	79	50,60,70#
Econogreen	Simpson	40	10	50	74	40-60#
Econogreen Matte	Simpson	40	10	50	75	40-60#
Henry Coat P	Daishowa	0	50	50	76	40-80#
Repap Ecology Coated	Repap Enterprises	40	10	50	76	45-70#
Silverado Gloss	Simpson	50	0	50	82	60,70,80,100#
Coated #4 Groundwood						
Canada Card (Matte)	Provincial Papers (Abitibi)	50%	10%	60%	—	85#,7pt
ConCycle 4	Consolidated	40	10	50	74-79	40-60#
Eco Publication	Provincial Papers (Abitibi)	50	10	60	—	45,50,60,70#
Nature Web	Simpson	40	10	50	—	40,45,50,60,70#
No. 4 Groundwood	IP—Coated Paper Division	0	10	10	76	45,45,50,60#
Pentair Gloss Recycle WO	Niagara Paper Corp.	22	30	52	76	40,50,60,70#
Pentair Suede Recycle WO	Niagara Paper Corp.	22	30	52	78	40,50,60,70#
REC Gloss	Repap Enterprises	60	10	70	76	45-70#
REC Matte	Repap Enterprises	60	10	70	76	45-70#
Re-Comm Matte	Georgia-Pacific	40	10	50	78	40-70#
Saratoga Gloss	IP—Coated Paper Division	0	10	10	—	—
Sunweb Recycled	Champion	40	10	50	75	45,50,60#
Coated #5 Groundwood						
Adirondack	IP—Coated Paper Division	0%	10%	10%	70	38,40,45,50,60#
ConCycle 5	Consolidated	40	10	50	72	38-60#
Fracote Recycled	Fraser Paper Ltd.	0	10	10	70	34#
Penagra Gloss Recycled	Niagara Paper Corp.	22	30	52	72	40,45,50#
Publication Recycle	Repap Enterprises	50	10	60	—	38,40#
Textweb Recycled	Champion	40	10	50	70	45,50,60,70#
Coated Cover						
Eco Gloss Cover	Provincial Papers (Abitibi)	50%	10%	60%	—	80#
Ecology	Riverside Paper Co.	90	10	100	—	—
Evergreen Gloss Cover	Simpson	50	0	50	84	80#
Evergreen Matte Cover	Simpson	50	0	50	84	65#
Ikonofix Gloss	A. Zanders Company	50	0	50	91.5	92.5,111#
La Sierra Gloss	Silver Leaf Paper Corp.	40	10	50	—	80#
MasterArt R/C Gloss	Paper Corp. of U.S.	45	5	50	89-91	85,115#
Mohawk 50/10 Gloss	Mohawk Paper Mills	50	10	60	87	65#
Quintesence Remarque	Potlatch Corp.	50	0	50	86	80,100#
Recovery Gloss	S.D. Warren	40	10	50	84	128#
Remarque Cover	Potlatch Corp.	50	0	50	—	—
Satina	Silver Leaf Paper Corp.	40	10	50	—	7pt,8pt,10pt
Sav-A-Tree Gloss Cover	Barber-Ellis Fine Papers	25	25	50	—	80#
Silverado Cover	Simpson	50	0	50	82	80#
Coated Enamel						
La Sierra Gloss	Silver Leaf Paper Corp.	40%	10%	50%	—	60,70,80,100#
Coated Premium						
Ikonofix Gloss	A. Zanders Company	50%	0%	50%	91.5	78,90,100,115#
MasterArt R/C Gloss	Paper Corp. of U.S.	45	5	50	89-91	100#
Film-coated #4 Freesheet						
JR Matte 105	James River	50%	0%	50%	80	35,38,40,45,50#
Restore Cote	Glatfelter	48	2	50	80	40-70#
Film-coated #4 Groundwood						
Recolocote	Glatfelter	48%	2%	50%	76	45-70#

Source: Jaako Poyry Consulting, Inc.

For the most current updates of recycled paper availability, contact Jaako Poyry Consulting, Inc., 560 White Plains Road, Tarrytown, NY 10591-5136. Telephone 914-332-4000. Fax 914-332-4411.

Recycled Paper Manufacturers

Source/Brand	Grade category	Waste content Pre-consumer	Post-consumer	Total waste	Brightness range	Basis weights available
A. Zanders Company						
Ikonofix Gloss	Coated Cover	50%	0%	50%	91.5	92.5,111#
Ikonofix Gloss	Coated Premium	50	0	50	91.5	78,90,100,115#
Barber-Ellis Fine Papers						
Sav-A-Tree Gloss	Coated #3	25%	25%	50%	—	70.9,77.5,98.6#
Sav-A-Tree Gloss Cover	Coated Cover	25	25	50	—	80#
Butler Paper						
Next Generation Coated Enamel	Coated #3	45%	5%	50%	82	70-100#
Champion						
Kromokote 2000 Recycled	Cast-coated Cover	0%	50%	50%	—	—
Sunweb Recycled	Coated #4 Groundwood	40	10	50	75	45,50,60#
Textweb Recycled	Coated #5 Groundwood	40	10	50	70	45,50,60,70#
Conservatree						
Conservatree Offset Enamel	Coated #3	40%	10%	50%	81	60-100#
ESP Gloss	Coated #3	0	75	75	81	40-80#
ESP Gloss 4	Coated #4	0	75	75	74	38-40#
Consolidated						
ConCycle 4	Coated #4 Groundwood	40%	10%	50%	74-79	40-60#
ConCycle 5	Coated #5 Groundwood	40	10	50	72	38-60#
Futura	Coated #2	50	0	50	—	80,100#
Futura Cover	Coated #2	50	0	50	—	80#
Cordage Papers						
Record Gloss	Coated	50%	0%	50%	—	—
Daishowa						
Henry Coat P	Coated #4	0%	50%	50%	76	40-80#
Federal Paper Board Co.						
Envirocote C1S Cover	C1S Cover	40%	10%	50%	—	—
Fraser Paper Ltd.						
Fracote Recycled	Coated #5 Groundwood	0%	10%	10%	70	34#
Future Fibers Group						
Sav-A-Source Coated	Coated	45%	15%	60%	—	80#
Sav-A-Source Offset Enamel	Coated #3	45	15	60	81	60,70,80,100#
Georgia-Pacific						
Re-Comm Matte	Coated #4 Groundwood	40%	10%	50%	78	40-70#
Glatfelter						
EPA Enamel	Coated #3	48%	2%	50%	82-85	70,80#
EPA Matte	Coated #3	48	2	50	82	70,80#
Norse Cote	Coated #3	48	2	50	80	40-80#
Recolocote	Film-coated #4 Groundwd	48	2	50	76	45-70#
Restore Cote	Film-coated #4 Freesht	48	2	50	80	40-70#
IP—Coated Paper Division						
Adirondack	Coated #5 Groundwood	0%	10%	10%	70	38,40,45,50,60#
Miraweb II	Coated #3	20	10	30	80	45,50,60,70,80#
No. 4 Groundwood	Coated #4 Groundwood	0	10	10	76	40,45,50,60#
Saratoga Gloss	Coated #4 Groundwood	0	10	10	—	—
Island Paper Mills						
ReSolve Gloss	Coated #3	40%	10%	50%	84	70,80,100#
ReSolve Matte	Coated #3	40	10	50	84	70,80,100#
J.B. Papers						
Envirolith Enamel	Coated #3	50%	0%	50%	—	—
James River						
Echo Gloss	Coated #4	40%	10%	50%	79	50,60,70#
JR Matte 105	Film-coated #4 Freesht	50	0	50	80	35,38,40,45,50#
Japan Pulp & Paper						
Lotus Gloss	Coated #3	0%	80%	80%	84-85	43-80#
Manchester						
Response C1S Cover	C1S Cover	40%	10%	50%	80	123,137,153#

Mohawk Paper Mills						
Mohawk 50/10 Gloss	Coated #1	50%	10%	60%	87	80,100#
Mohawk 50/10 Gloss	Coated Cover	50	10	60	87	65#
Mohawk 50/10 Matte	Coated #1	50	10	60	87	60-80#
Niagara Paper Corp.						
Penagra Gloss Recycled	Coated #5 Groundwood	22%	30%	52%	72	40,45,50#
Pentair Gloss Recycle WO	Coated #4 Groundwood	22	30	52	76	40,50,60,70#
Pentair Suede Recycle WO	Coated #4 Groundwood	22	30	52	78	40,50,60,70#
Noranda Forest Recycled						
Regeneration Cover	C1S Cover	40%	10%	50%	—	—
Renaissance Cover C1S	C1S Cover	65	10	75	—	62.5#
Paper Corp. of America						
Taiwan	Coated #3	50%	0%	50%	—	—
Paper Corp. of U.S.						
MasterArt R/C Gloss	Coated Cover	45%	5%	50%	89-91	85,115#
MasterArt R/C Gloss	Coated Premium	45	5	50	89-91	100#
Potlatch Corp.						
Quintesence Remarque	Coated #1	50%	0%	50%	86	80,100#
Quintesence Remarque	Coated Cover	50	0	50	86	80,100#
Remarque Cover	Coated Cover	50	0	50	—	—
Remarque Gloss	Coated #1	50	0	50	—	—
Provincial Papers (Abitibi)						
Canada Card (Matte)	Coated #4 Groundwood	50%	10%	60%	—	83#,7pt
Eco Gloss	Coated #3	50	10	60	81	60,70,80,100#
Eco Gloss Cover	Coated Cover	50	10	60	—	80#
Eco Publication	Coated #4 Groundwood	50	10	60	—	45,50,60,70#
Repap Enterprises						
Publication Recycle	Coated #5 Groundwood	50%	10%	60%	—	38,40#
REC Gloss	Coated #4 Groundwood	60	10	70	76	45-70#
REC Matte	Coated #4 Groundwood	60	10	70	76	45-70#
Repap Ecology Coated	Coated #4	40	10	50	76	45-70#
Riverside Paper Co.						
Ecology	Coated Cover	90%	10%	100%	—	—
S.D. Warren						
Recovery Gloss	Coated #2	40%	10%	50%	84	80#
Recovery Gloss	Coated Cover	40	10	50	84	128#
Recovery Matte	Coated #2	40	10	50	84	80#
Silver Leaf Paper Corp.						
La Sierra Gloss	Coated Cover	40%	10%	50%	—	80#
La Sierra Gloss	Coated Enamel	40	10	50	—	60,70,80,100#
Satina	C1S Cover	40	10	50	—	7pt,8pt,10pt
Satina	Coated Cover	40	10	50	—	7pt,8pt,10pt
Simpson						
Econogreen	Coated #4	40%	10%	50%	74	40-60#
Econogreen Matte	Coated #4	40	10	50	75	40-60#
Evergreen Gloss	Coated #3	50	0	50	84	70,80,100#
Evergreen Gloss Cover	Coated Cover	50	0	50	84	80#
Evergreen Matte	Coated #3	50	0	50	84	70,80,100#
Evergreen Matte Cover	Coated Cover	50	0	50	84	65#
Nature Web	Coated #4 Groundwood	40	10	50	—	40,45,50,60,70#
Silverado Cover	Coated Cover	50	0	50	82	80#
Silverado Gloss	Coated #4	50	0	50	82	60,70,80,100#
Stora Papyrus Newton Falls						
Champion Gloss	Coated #1	50%	0%	50%	—	80,100#
St. Lawrence Cream Matte	Coated #3	50	0	50	73	60,80#
St. Lawrence Gloss	Coated #2	50	0	50	81	—
St. Lawrence Matte	Coated #2	50	0	50	81	—
Stora-Matte Recycled	Coated #3	50	0	50	—	50,60,65,70,80,100#
Westvaco						
American Eagle Dull	Coated #2	40%	10%	50%	83	80-120#
American Eagle Gloss	Coated #2	40	10	50	83	80-120#
American Eagle Hi-D #2	Coated #2	40	10	50	—	—
American Eagle Matte	Coated #3	40	10	50	83	80-120#

Source: Jaako Poyry Consulting, Inc.

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By James B. Kobak

Magazine Trends

Where we've been and where we're going

CONSUMER MAGAZINES

There has been too much talk about magazines dying, when the facts indicate that the number of magazines has been constantly increasing. In the end, magazines prosper or decline because of the public's desire for them.

The real reason most consumer magazines died is that they should never have been started in the first place. Some magazines followed fads (*Egg*, *7 Days*, *Manhattan inc.*). Then there was the science magazine fad. Those magazines came and went. Then there were those that started magazines for older people and older people didn't want them. Publishers make the mistake of insisting that the world needs their magazine, but if people don't want it, they aren't going to buy it or read it.

Magazine changes

Not only do magazines come and go, they change. Many of the magazines that are listed today and three years ago or even 15 years ago have changed. My favorite one is *Details*. It changed its focus from women to men. It's the only magazine I have ever heard of that underwent a sex change.

Let's look at magazine changes over the last three years. I compared the information in Standard Rate & Data for May 1991 and May 1988 to see what happened in the field. Here are some facts and some conclusions.

Circulation shifts

The increase of about 50 consumer magazines per year of the past decade continued in the last three years.

Total copies remained constant. While more magazines were included, many of the larger ones reduced

All circulation groups grew. Consumer magazines by circulation size:

	1988	**1991**	**% Change**
Circulation up to 100,000	661	750	13.5
100,000-500,000	414	445	7.5
500,000-1,000,000	100	106	6.0
Over 1,000,000	100	113	13.0
Total	1,275	1,414	10.9

The number of issues published grew even faster:

1988	**1991**	**% Change**
15,547	18,487	19.2

The average number of issues per magazine also grew:

1988	**1991**
12.2	13.1

Total circulation increased even faster than the population: (000)

1988	**1991**	**% Change**
538,249	594,531	10.5

Average circulation per magazine remained about the same:

1988	**1991**
422,000	420,000

Total copies circulated: (000)

1988	**1991**	**% Change**
11,431,000	11,360,000	(.6)

The average number of copies per magazine (circulation x the number of issues) dropped:

1988	**1991**
8,965,000	8,043,000

the number of issues published and the average circulation to reduce costs.

Out of the 1,414 magazines listed in SRDS in 1991, 558 didn't exist in 1988. That means, in three years, 39 percent of the magazines are new.

Some 355 magazines listed in 1988 were not listed in 1991. That's 28 percent of the magazines that disappeared.

Changes by types of magazines

Every category, whether growing or declining, had new listings as well as listings no longer there. For instance, sports, which grew from 100 magazines to 136, also lost 44 magazines during the three-year period studied. That means there were 80 new sports magazines, not just 36. And business, which declined from 33 to 22 titles, had nine new listings. That means the category actually lost 20 magazines, not just 11 magazines, which is phenomenal.

Growth in the number of magazines being audited was greater among the larger magazines, probably because they are more likely to deal with advertising agencies. I think this is a good trend. It shows publishers are getting smarter. Auditing isn't very expensive and it makes selling easier.

General interest vs. special interest

The world keeps saying we don't have general interest magazines, and we do. The number of general interest magazines increased, but their average circulation and total copies circulated declined.

Men vs. women

The number of magazines for men increased, while those for women declined. The opposite is true for the average number of issues and the average circulation, so the total number of copies shows the women on top, where the men were three years ago.

There was a large increase in local and regional focus magazines:

1988	1991	% Change
238	348	46.2%

This category includes city and regional magazines, alternate weeklies—which have been growing like mushrooms—and others.

And a continued increase in magazines published by not-for-profit organizations:

1988	1991	% Change
148	196	32.4%

More magazines have their circulation audited:

	1988	1991	% Change
Over 100,000 circulation	385	437	13.5%
Under 100,000 circulation	190	197	3.7

The number of general interest magazines increased as fast as those devoted to special interests:

	1988	1991	% Change
Total magazines			
General interest	63	70	11.1%
Special interest	1,212	1,344	10.9
Average number of issues			
General interest	20.0	17.3	(13.5)
Special interest	11.8	12.9	9.3
Average circulation			
General interest	2,161,000	2,020,000	(6.4)
Special interest	332,000	333,000	.3
Copies circulated			
General interest	4,999,000,000	4,678,000,000	(6.4)
Special interest	6,432,000,000	6,582,000,000	2.3

	1988	1991
Number of magazines		
Men	395	443
Women	156	153
Issues average		
Men	12.6	12.2
Women	8.3	10.4
Circulation average		
Men	224,000	199,000
Women	682,000	735,000
Copies circulated		
Men	1,436,000,000	1,219,000,000
Women	1,202,000,000	1,356,000,000

Magazines first listed during 1988-1991

Some of the more notable magazines that were first listed during the period studied include the following (* means the magazine is no longer publishing):

7 Days*
Allure
American Home*
Buzzworm
Contemporanea
Details
Disney Adventure
Eating Well
Elle Decor
Emerge
Entertainment Weekly
Episodes
Fathers*
First for Women
Garbage
Joe Franklin's Nostalgia
Longevity
Memories*
Mirabella
Model*
Motorboat
Neiman-Marcus*
PC Computer
Smart*
Soap Opera Weekly
Sports Illustrated for Kids
Vista
Wigwag*

Magazines listed before 1988 that have disappeared

Numerous magazines that came into existence before 1988 have disappeared during the three-year period:

Attenzione
Banana Republic
Changing Homes
Children
Cooks
Creative Ideas for Living
Eternity
Games
Good Food
High Fidelity
High Technology
Manhattan inc.
Millionaire
Modern Photography
Nuestro
Newsweek on Campus
Savvy Woman
Science Digest
Second Wind
Sylvia Porter's Personal Finance
Taxi
Venture

SRDS categories

Categories newly listed by SRDS since 1988:

Alternative Weeklies
Black Oriented
Parenthood

Categories that grew rapidly:

Airline Inflight
Automotive
Babies
Dogs & Pets
Entertainment and Performing Arts
Fitness and Health
Gaming
Home Service
Mature
Metropolitan/Regional/State
Trailers and RVs
Youth and Children

Slow growth categories:

Art & Antiques
Fashion
Fishing & Hunting
General Interest
Music
Religion
Sports
Women's

Flat categories:

Brides
Boating
Business
Civic and Gardening
Fraternal
Men's

Categories that have declined:

Aviation
Computers
Dressmaking
Epicurean
Horses
Military
Motorcycle
News
Readers
Photography
Political
Science
Travel
TV & Radio

Categories dropped between 1988-1991:

Humanities & Contemporary Topics
Lifestyle/Service
Romance

Frequency of issues published

The calendar rules the number of issues published per year for most magazines, but a great many have odd frequencies:

Frequency of publication	Number of magazines
Monthly	613
Bimonthly	329
Quarterly	142
Weekly	95
Biweekly	30
5 issues	23
7 issues	17
8 issues	54
9 issues	12
10 issues	56
11 issues	16
Other	27
Total	1,414

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BUSINESS MAGAZINES

As with consumer magazines, there is a lot of talk about business magazines and their futures. In the end they exist, prosper or decline because of the fields they serve. They are creatures of their fields' life cycles, not their own. I compared data in Standard Rate & Data Service for January 1972, January 1984 and January 1991. This almost 20-year period tells us two things:

(1) There is a constantly growing number of business magazines as the business world and the technology become more complex.

(2) There are constantly lots of magazines that die.

You would expect this kind of churn in the newer fields, which are still changing rapidly, but it also happens in many of the old, established areas where you might think there would be very little change. There is constant coming and going.

Naturally, business magazines, like consumer magazines, vary in many ways from each other. They are, however, very much alike in their basics. During the Postal Rate Commission hearings, my firm conducted a survey of 464 publications published by members of the American Business Press. The averages showed the following:

* Average circulation	50,900
* Average weight	9 ozs
* Average editorial content	48%

Conclusions about what has been going on in the field, then, can pretty much be learned by examining what has been happening to the numbers of business magazines.

Breaking down the groupings

Breaking the magazines into broad groupings, you can see how the growth has mirrored the growth of different fields.

Computers

You might think that all you have to do is identify a burgeoning field, start a magazine in it and all will be well. One of the best is computers.

Here is some data that gives the picture of changes in the number of business magazines:

	1972	1984	1991	% Change
Number of business magazines	2,255	3,007	3,676	—
Percent increase from prior period	—	33.3%	22.2%	63.0%
Average increase in magazines per year	—	62.7	95.6	74.8

New—or reconstituted—fields:

	1972	1984	1991	% Change
Computers	20	81	181	805.0%
Journalism	8	12	21	162.5
Metro Business	—	84	158	—
Pollution	7	9	23	228.5
Telecommunications	3	13	36	1200.0

No surprises here—except why did Metro Business magazines suddenly appear after all these years?

Fields still growing rapidly:

	1972	1984	1991	% Change
Building	135	168	218	61.5
Business and Business Services	141	178	258	83.0
Education	71	84	120	69.0
Financial	97	119	150	54.6
Health Care	404	672	781	93.3%
Leisure Time	100	160	176	76.0
Science	40	56	71	77.5

Slow growth fields:

	1972	1984	1991	% Change
Energy	72	82	88	22.2
Government	90	105	122	35.6
Manufacturing	439	483	516	17.5%
Retailing	283	346	348	23.0
Transportation	190	197	229	20.5

Flat fields:

	1972	1984	1991	% Change
Food	88	86	89	1.1%
Religion	8	5	4	(50.0)

Business and business services

Try a rapidly growing field. Included in this category are a number of brand new SRDS groups. Human Resources did not exist until 1991 and now has seven entries. Employment grew from just three to 18 magazines. But one area that was big in 1972 has gotten even bigger by now—Advertising.

Manufacturing—a slow growth field

A couple of old standbys—Chemical and Metal—have experienced slow growth over the almost 20-year period.

An ever-changing business

As the statistics show, the magazine business is an ever-changing business. A snapshot of the industry every few years shows us where we've been and may provide clues to future directions.

James B. Kobak is a consultant and lecturer specializing in magazine publishing. A CPA prior to starting his own business, Kobak is also known as a magazine doctor and industry guru. He has participated in several hundred magazine start-ups and mergers and acquisitions.

A burgeoning field:

Computers

Number of magazines today	181
Those that were there in 1984 and are still with us	25
Those that were there in 1972 and 1984	4
Those that were there in 1972 and are still with us	1
New entries from 1984 through July 1991	244
Magazines that expired between 1984 and July 1991	144

A rapidly growing field:

Advertising

• Magazines in 1972	50
• Magazines in 1984	68
• Magazines in 1991	77
Those that were there in 1984 and are still with us	38
Those that were there in 1972 and 1984	36
Those that were there in 1972 and are still with us	26
New entries from 1984 through July 1991	53
Magazines that expired between 1984 and July 1991	44

Two old standbys:

Chemical

• Magazines in 1972	22
• Magazines in 1984	23
• Magazines in 1991	26
Those that were there in 1984 and are still with us	15
Those that were there in 1972 and 1984	14
Those that were there in 1972 and are still with us	14
New entries from 1984 through July 1991	10
Magazines that expired between 1984 and July 1991	7

Metal

• Magazines in 1972	55
• Magazines in 1984	53
• Magazines in 1991	50
Those that were there in 1984 and are still with us	36
Those that were there in 1972 and 1984	40
Those that were there in 1972 and are still with us	28
New entries from 1984 through July 1991	19
Magazines that expired between 1984 and July 1991	22

Ad Revenue Leaders

Magazine	'91 Revenue	'90 Revenue	% Chg
People Weekly	$344,958,293	$345,791,839	- 0.2
Time	326,590,715	381,852,410	-14.5
Sports Illustrated	323,050,415	335,690,172	- 3.8
TV Guide	279,152,957	320,308,118	-12.8
Newsweek	228,491,838	253,253,187	- 9.8
Business Week	220,079,990	245,886,035	-10.5
U.S. News & World Report	172,517,963	159,338,356	+ 8.3
Good Housekeeping	165,456,252	163,240,991	+ 1.4
Better Homes and Gardens	159,981,115	143,544,885	+11.5
⑩ **Forbes**	**156,194,689**	**169,517,084**	**- 7.9**
Fortune	153,305,737	161,774,642	- 5.2
Family Circle	130,022,118	137,273,222	- 5.3
Cosmopolitan	127,543,762	129,913,724	- 1.8
Ladies' Home Journal	112,448,664	109,404,461	+ 2.8
Vogue	102,855,268	108,081,835	- 4.8
Woman's Day	100,310,119	99,101,166	+ 1.2
Reader's Digest	96,674,674	108,592,492	-11.0
Glamour	91,493,157	94,877,938	- 3.6
Money	87,883,668	78,349,828	+12.2
⑳ **McCall's**	**84,702,525**	**73,433,029**	**+15.3**
Rolling Stone	72,481,769	76,037,112	- 4.7
Redbook	72,064,872	75,689,905	- 4.8
Golf Digest	71,236,157	66,702,279	+ 6.8
Southern Living	63,404,762	63,930,877	- 0.8
Parents	62,227,644	59,636,244	+ 4.3
Elle	58,835,120	67,721,832	-13.1
Travel & Leisure	58,650,386	58,631,236	0.0
Bride's	56,823,774	56,176,029	+ 1.2
New Yorker	53,934,443	61,232,176	-11.9
㉚ **Car and Driver**	**53,022,389**	**49,674,355**	**+ 6.7**
Vanity Fair	52,073,588	49,894,916	+ 4.4
Playboy	48,813,316	47,814,982	+ 2.1
Modern Maturity	47,509,760	51,254,738	- 7.3
Inc.	46,946,799	48,085,758	- 2.4
Country Living	45,337,170	44,414,547	+ 2.1
Mademoiselle	44,803,068	48,951,987	- 8.5
Gentlemen's Quarterly	44,613,254	49,573,439	-10.0
Life	44,354,085	45,883,293	- 3.3
Sunset	43,744,156	45,916,902	- 4.7
㊵ **Modern Bride**	**41,463,423**	**41,107,014**	**+ 0.9**
National Geographic	41,105,154	38,473,200	+ 6.8
New York Magazine	40,542,190	43,434,140	- 6.7
Golf	39,436,917	37,554,994	+ 5.0
Self	37,690,690	46,849,170	-19.5
Smithsonian	37,434,672	40,994,931	- 8.7
Ebony	37,140,319	37,716,243	- 1.5
Field & Stream	36,262,571	35,683,132	+ 1.6
Architectural Digest	36,084,154	48,183,194	-25.1
Gourmet	35,423,048	35,274,330	+ 0.4
㊿ **Road & Track**	**34,208,513**	**34,610,707**	**- 1.2**

Of the 50 ad revenue leaders, only 20 show an increase in ad dollars over 1990. In fact, the top 10 titles include only three that increased ad revenue in 1991, with all of the first six magazines showing decreases in '91 ad dollars compared to the previous year. Total advertising revenue for the 164 PIB-tracked consumer titles in 1991 is down 3 percent from 1990—from $6,737,117,318 to $6,538,195,541.

Source: Publishers Information Bureau

Ad Page Leaders

Magazine	'91 Pages	'90 Pages	% Chg
Business Week	3,735.02	4,407.02	-15.2
Forbes	3,572.53	3,940.82	- 9.3
People Weekly	3,297.03	3,625.78	- 9.1
Bride's	3,035.69	3,172.57	- 4.3
Fortune	2,949.55	3,360.17	-12.2
Modern Bride	2,591.93	2,576.13	+ 0.6
Vogue	2,525.55	2,965.86	-14.8
Sports Illustrated	2,419.72	2,672.38	- 9.5
TV Guide	2,411.63	2,966.02	-18.7
⑩ **Economist**	**2,410.02**	**2,643.82**	**- 8.8**
New York Magazine	2,303.61	2,657.54	-13.3
Time	2,167.02	2,727.93	-20.6
U.S. News & World Report	2,023.41	2,010.93	+ 0.6
New Yorker	2,001.02	2,456.31	-18.5
Entrepreneur	1,968.82	2,004.44	- 1.8
Cosmopolitan	1,953.79	2,156.41	- 9.4
Newsweek	1,951.74	2,302.04	-15.2
Elle	1,762.40	2,297.51	-23.3
Rolling Stone	1,719.60	1,990.08	-13.6
⑳ **American Way**	**1,676.04**	**1,780.00**	**- 5.8**
Glamour	1,666.85	1,855.21	-10.2
Gentlemen's Quarterly	1,634.68	2,030.57	-19.5
Good Housekeeping	1,616.41	1,740.43	- 7.1
Family Circle	1,537.36	1,684.85	- 8.8
Golf World	1,482.55	1,443.28	+ 2.7
Ladies' Home Journal	1,471.41	1,532.25	- 4.0
Vanity Fair	1,440.29	1,472.54	- 2.2
Skin Diver	1,428.19	1,450.82	- 1.5
Yachting	1,413.39	1,823.93	-13.0
㉚ **Texas Monthly**	**1,410.05**	**1,404.09**	**+ 0.4**
Muscle & Fitness	1,405.40	1,272.44	+10.4
Parents	1,398.02	1,487.01	- 6.0
Sunset	1,387.47	1,474.24	- 5.9
Travel & Leisure	1,373.42	1,419.86	- 3.3
Popular Photography	1,341.34	1,296.00	+ 3.5
Woman's Day	1,322.70	1,408.12	- 6.1
Architectural Digest	1,288.26	1,820.97	-29.3
Money	1,279.10	1,247.32	+ 2.5
Better Homes and Gardens	1,277.26	1,266.98	+ 0.8
㊵ **Car and Driver**	**1,273.53**	**1,283.36**	**- 0.8**
Mademoiselle	1,261.59	1,494.93	-15.6
Southern Living	1,230.80	1,252.85	- 1.8
Golf Digest	1,214.46	1,287.91	- 5.7
W	1,205.50	1,352.99	-10.9
Gourmet	1,194.34	1,332.83	-10.4
Town & Country	1,159.85	1,605.97	-27.8
Redbook	1,103.93	1,205.60	- 8.4
McCall's	1,083.29	1,010.61	+ 7.2
Road & Track	1,076.34	1,142.20	- 5.8
㊿ **Inc.**	**1,072.22**	**1,170.59**	**- 8.4**

Total ad pages are down 8.7 percent for 1991, according to the PIB ad page counts for 164 consumer magazines—from 171,535.75 in 1990 to 156,650.16. Looking at the ad page leaders, only nine of the top 50 magazines have an increase in advertising pages over the year before.

Source: Publishers Information Bureau

Nov. 2-6, 1992 Not Filmed